

North Yorkshire County Council

Executive

22 June 2021

National Bus Strategy

Report of the Corporate Director – Business and Environmental Services

1.0 Purpose of Report

- 1.1 To update the Executive on the National Bus Strategy and actions Local Transport Authorities are expected to take.
- 1.2 To present to Members for their consideration, and for recommendation to the Chief Executive Officer under his emergency delegated powers:
- a number of options and a recommendation in relation to the council's response.
 - a revised set of objectives for approval and inclusion in the council's Bus Service Improvement Plan.

2.0 Background

- 2.1 Under his delegated decision making powers in the Officers' Delegation Scheme in the Council's Constitution, the Chief Executive Officer has power, in cases of emergency, to take any decision which could be taken by the Council, the Executive or a committee. Following on from the expiry of the Local Authorities and Police and Crime Panels (Coronavirus) (Flexibility of Local Authority and Police and Crime Panel Meetings) (England and Wales) Regulations 2020, which allowed for committee meetings to be held remotely, the County Council resolved at its meeting on 5 May 2021 that, for the present time, in light of the continuing Covid-19 pandemic circumstances, remote live-broadcast committee meetings should continue, with any formal decisions required being taken by the Chief Executive Officer under his emergency decision making powers and after consultation with other Officers and Members as appropriate and after taking into account any views of the relevant Committee Members. This approach will be reviewed by full Council at its July meeting.
- 2.1 Throughout the pandemic the Government has been providing up to £27.3m per week of emergency funding nationally to the bus sector through the COVID-19 Bus Services Support Grant (CBSSG) scheme. This is allowing bus operators to maintain services for essential travel.
- 2.2 In addition, the council, like many authorities, has provided additional support by maintaining contract payments and continuing English National Concessionary Travel Scheme (ENCTS) reimbursement at pre-Covid levels.
- 2.3 The National Bus Strategy (NBS) was published 15 March 2021 (The full document is available – [Bus Back Better: national bus strategy for England \(publishing.service.gov.uk\)](https://publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/942217/nbs-2021.pdf)). Government's aim is to transform bus services across the country ensuring buses are more frequent, more reliable, easier to understand and use, better co-ordinated and cheaper. With increased frequencies, services operating into the evenings and at weekends or more demand responsive services in places unserved or barely served by conventional buses.

Together with improved bus priority, customer information and ticketing. Government expects bus punctuality and reliability to improve and passenger numbers grow.

- 2.4 The NBS sets out some requirements for Local Transport Authorities (LTAs):
- By the end of June 2021 all LTAs (except MCAs which have started the statutory process of franchising bus services) to commit to establishing Enhanced Partnerships across their entire areas under the Bus Services Act 2017 or develop a bus franchising assessment.
 - From 1 July 2021, only LTAs and operators who meet the above will continue to receive the COVID-19 Bus Services Support Grant (CBSSG) referred to at 2.1 above or any new sources of bus funding from the Government's £3bn budget.
 - By the end of October 2021 all LTAs to publish a local Bus Service Improvement Plan, detailing how they propose to use their powers to improve services. Actual delivery of Enhanced Partnerships by April 2022. From that date, the new discretionary forms of bus funding from Government will only be available to services operated, or measures taken, under an Enhanced Partnership or where a franchising scheme has been made. In addition, only services operated under these statutory agreements will be eligible for the reformed Bus Service Operators Grant, which is subject to consultation.
- 2.5 The NBS is clear that from 1 July 2021, only LTAs and operators who meet these requirements will continue to receive the COVID-19 Bus Services Support Grant (CBSSG) detailed at section 2.1 or any new sources of bus funding from the Government's £3bn budget. The terms and conditions of CBSSG already make clear that it is discretionary. The new funding will also be discretionary. As part of wider reform of the Bus Service Operators Grant Government will consult on linking payment of that reformed grant to these commitments.

3.0 Options

- 3.1 Summary of Options:
1. Franchising
 2. Enhanced Partnership
 3. 'Do Nothing'
- 3.2 As outlined in section 2.4 above the National Bus Strategy suggests two options, Enhanced Partnership or Franchising, both of which ensures funding will continue beyond 30 June 2021 and any new sources of bus funding from the Government's £3bn budget. A third option is to 'do nothing', which will result in funding ceasing at 30 June 2021 and no access to any new sources of bus funding.
- 3.3 Franchising: LTAs who wish to pursue Franchising may do so but must commit to implementing Enhanced Partnerships until the Franchising process, which can be lengthy, is complete.
- 3.4 Enhanced Partnerships: An Enhanced Partnership is an agreement between a local transport authority and local bus operators to work together to improve bus services. Should the Council pursue this option the Council will need to Publish a Notice of Intent to Prepare an Enhanced Partnership Plan and Schemes prior to the 30 June 2021 Government deadline and publish a Bus Service Improvement Plan (BSIP) by 31 October 2021. A draft notice is attached at Annex 1.

- 3.5 'Do Nothing': Should the council pursue this option no further action would be necessary however the COVID-19 Bus Services Support Grant (CBSSG) will cease with the likely result of a sudden retrenchment of commercial bus services across North Yorkshire. In addition, the Council will be unable to access any new sources of bus funding from the Government's £3bn budget.
- 3.6 Beyond publication of any Notice of Intent (as described in section 3.4), the Council will be required to make a final decision on its stance by October 2021. At that stage additional detail will be forthcoming including input from operators, information on what the North Yorkshire BSIP will contain and any new guidance on government funding.

4.0 New or Expanded Mayoral Combined Authorities in the Future

- 4.1 The NBS states:
"LTAs may also join together to produce joint plans and partnership or franchising arrangements and should be looking to do so where local economies and travel to work areas overlap significantly. We would expect to see shared arrangements across any areas wishing to become new or expanded Mayoral Combined Authorities in the future."
- 4.2 Discussions have taken place between senior officers at the Council and City of York Council and it is proposed that given the very differing needs of bus users, driven by the differing geography and population density, coupled with the extremely short timeframe to produce a Bus Service Improvement Plan, separate plans will be submitted. However, both councils will endeavour to align their plans for areas of commonality.

5.0 Bus Service Improvement Plan

- 5.1 A Bus Service Improvement Plan (BSIP) must be published by 31 October 2021.
- 5.2 A BSIP should:
- Be developed by LTAs in collaboration with local bus operators and other stakeholders.
 - Cover the LTA's full area.
 - Set out how they will achieve the objectives in the National Bus Strategy, including growing bus use, and include a detailed plan for delivery.
 - Be updated annually and reflected in the Authority's Local Transport Plan.
- 5.3 It is also expected that BSIP should:
- Set targets for journey times and reliability improvements.
 - Identify where bus priority measures are needed.
 - Set out pressures on the road network, air quality issues and carbon reduction targets and set out actions, working with operators, to transform the local bus fleet to zero emission.
 - Drive improvements for passengers and committing to a Bus Passenger Charter (BPC) that sets out what passengers can expect from bus operators delivering local bus services across their area. BPCs should include commitments on the accessibility of bus services.
- 5.4 It is likely that the BSIP will be the basis of a bidding document for part of the Government's £3bn budget mentioned in section 2.3. The National Bus Strategy confirms future government funding will recognise the level of ambition demonstrated by local authorities in Bus Service Improvement Plans. However, there is uncertainty around the distribution and longevity of this funding.

6.0 Engagement

- 6.1 The National Bus Strategy is clear that Enhanced Partnerships should work for both LTAs and bus operators. In all cases, a BSIP should be accompanied by letters of support from operators representing at least 80% of registered mileage in the geographical area covered by the BSIP. Early engagement has taken place with operators to ensure a productive partnership is developed that will deliver improvements for bus passengers. Without sufficient support from bus operators access to future funding is at risk.
- 6.2 Early stakeholder engagement has also taken place. A number of questions were also asked of the Council's Citizens Panel. Feedback provided together with information from previous passenger transport consultation exercises has helped shape the revised objectives at section 6.4 below.
- 6.3 Further consultation, including an open public consultation, will take place as the Enhanced Partnership progresses.
- 6.4 A vision and objectives are required for inclusion in the BSIP, draft versions of these are detailed below. These will be developed as the consultation and engagement progresses.

VISION: An efficient and optimised bus network in North Yorkshire that meets the needs of our local communities, enabling people to remain active and independent. With excellent customer service and simple payment and ticketing options. Customers will have bus services which encourage and enable sustainable, cleaner and healthier travel choices, lowering emissions from fewer car trips. Through our bus services, we will raise the profile of North Yorkshire as a place to live, visit, work in and invest.

Excellent Customer Service: Provide consistent and excellent customer service across North Yorkshire.

Simple Payment and Ticketing Options: Developing simple, convenient and easy to use payment options providing a network sustainable and reasonably priced for customers.

A High Quality Co-ordinated and Integrated Bus Network: Develop a network of punctual and reliable commercial services to give customers the confidence that the bus will turn up and get them to their intended destination in the time expected and, to address the needs of passengers in areas which struggle to support commercial bus services, ensure this is integrated with a modern supported network of services.

Simple, clear, and freely available information: Present the bus system as a single network and provide easily accessible and reliable travel information

7.0 Equalities

- 7.1 An Equalities Impact Assessment has been completed and this is attached at Annex 2. Impacts vary dependent upon the option chosen. Some options have the potential for no adverse impact and could result in making things better for people with protected characteristics. However, with other options there is potential for adverse impact for people with protected characteristics. Should the 'do nothing' option be pursued there will be a financial impact to local bus service operators across North Yorkshire. The likely result of which will be a sudden retrenchment of commercial bus services across North Yorkshire negatively impacting on bus users. Older people, women, people with disabilities are the particularly groups that might be adversely impacted as these groups are either likely to use public transport more often or may be more dependent upon public transport or may find

using public transport harder to use. The Equalities Impact Assessment will need to be reviewed and refreshed throughout the proposal work, including following the decision following this report.

8.0 Finance

- 8.1 The detailed financial implications of the National Bus Strategy are not yet known and therefore this information will be set out in a future report, once available, in line with seeking approval to submit a Bus Service Improvement Plan to Government. As outlined in section 2.4 above the National Bus Strategy suggests two options, Enhanced Partnership or Franchising, both of which ensures funding will continue beyond 30 June 2021 and any new sources of bus funding from the Government's £3bn budget. A third option is to 'do nothing', which will result in funding ceasing at 30 June 2021 and no access to any new sources of bus funding.
- 8.2 On this basis, the financial implications of the Enhanced Partnership option are not yet known, however by progressing this arrangement, this will mean the funding currently received will not automatically cease from the 30 June 2021 and the ability to access any new sources of bus funding will remain.
- 8.3 There is a cost to the Council in implementing the National Bus Strategy including setting up the Enhanced Partnership and developing the Bus Service Improvement Plan which is mainly in the form of officer time. This requirement can in part be met from existing resource within the service. In addition, the Department for Transport have provided a £100k flat payment to assist local authorities towards progressing an Enhanced Partnership or franchising arrangement which will be used by providing additional resource either through recruitment, consultant services or a combination of both.

9.0 Legal

- 9.1 There is a wide range of legislation relating to passenger transport and the Council has some statutory duties imposed as part of this legislation.
- 9.2 The Transport Act 2000 imposes a duty on LTAs to prepare and publish a local transport plan setting out their policies for the promotion of safe, integrated, efficient and economic transport facilities in their area, and to develop a bus strategy for carrying out their bus functions.
- 9.3 The Bus Services Act 2017 provides LTAs with the ability to determine and specify the bus services to be provided in an area via franchising, with bus operators bidding to provide the services (with the aim of allowing LAs to specify the services that passengers want and deliver via an integrated network of services with co-ordinated timetables, ticketing and branding). This Act also allows LTAs to introduce new Enhanced Partnerships as defined at 3.3 above.

10.0 Climate Change

- 10.1 A Climate Change Impact Assessment has been completed and this is attached at Annex 3. Impacts vary dependent upon the option chosen. Some options have the potential for positive impacts on the environment. However, should the 'do nothing' option be pursued there will be a financial impact to local bus service operators across North Yorkshire. The likely result of which will be a sudden retrenchment of commercial bus services across North Yorkshire negatively impacting on bus users. This in turn could result in increased car use and therefore increase emissions from travel, and increase air and noise pollution.

10.2 It is anticipated that there will be minimal, if any, impact on waste, water consumption, resilience, conservation and distinctive features and special qualities of North Yorkshire's landscape. The Climate Change Impact Assessment will need to be reviewed and refreshed throughout the proposal work.

11.0 Recommendations

11.1 That, subject to any comments Members may have, the following be proposed to the Chief Executive Officer for approval under his emergency delegated powers:

- i. The option of Enhanced Partnership as the preferred option and agree the draft notice attached at Annex 1 can be published. Noting that a further decision on the council's final option position could be taken In October 2021 when details of the Enhanced Partnership work with operators, information on what the North Yorkshire BSIP would contain, any new details on funding and future funding available at that time.
- ii. The objectives set out in section 6.4 for inclusion in the council's Bus Service Improvement Plan.

Karl Battersby
Corporate Director – Business and Environmental Services

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Report Author: Cathy Knight, Commercial Sector Service Development Manager

Background Documents:

[Bus Back Better: national bus strategy for England \(publishing.service.gov.uk\)](https://publishing.service.gov.uk)

Annexes:

Annex 1 – Draft Notice
Annex 2 – Equality Impact Assessment
Annex 3 – Climate Change Impact Assessment