

## CABINET MEETING – 16 NOVEMBER 2021

### EXECUTIVE SUMMARY SHEET – PART I

**Title of Report:**

Developing an Enhanced Bus Partnership

**Author(s):**

Executive Director of City Development

**Purpose of Report:**

This report outlines the requirement from government for the Local Transport Authority to put in place a Bus Service Improvement Plan by October 2021 to inform either an Enhanced Bus Partnership by April 2022 or progressing a Bus Franchising scheme and the proposed next steps.

**Description of Decision:**

Cabinet are asked to:

- (i) To note and endorse the contents of this report;
- (ii) Note the submission of a Bus Service Improvement Plan by the North East Joint Transport Committee and the planned development of an Enhanced Partnership proposal
- (iii) Agree to receive an update on the details of the Enhanced Partnership at a future Cabinet meeting

**Is the decision consistent with the Budget/Policy Framework?** \*Yes

**If not, Council approval is required to change the Budget/Policy Framework**

**Suggested reason(s) for Decision:**

To enable the development of an Enhanced Partnership through the North East Joint Transport Committee as required by Department for Transport.

**Alternative options to be considered and recommended to be rejected:**

The alternative option would be to not develop an Enhanced Bus Partnership and if this is not done, the Council would not only stand to miss out on funding for delivering improved bus priority, it would also mean that the recovery from COVID was at greater risk of being car-led, rather than one that favoured active and sustainable ways of getting around, including by bus.



**Impacts analysed;**

**Equality** ☐ **Privacy** ☐ **Sustainability** ☐ **Crime and Disorder** ☐

**Is the Decision consistent with the Council's co-operative values? Yes**

**Is this a "Key Decision" as defined in the Constitution? Yes**

**Is it included in the 28 day Notice of Decisions? Yes**



## **CABINET – 12 NOVEMBER 2021**

### **DEVELOPING AN ENHANCED BUS PARTNERSHIP**

#### **Report of Executive Director of City Development**

#### **1. Purpose of the Report**

This report outlines the requirement from government for the Local Transport Authority to put in place a Bus Service Improvement Plan by October 2021 to inform either an Enhanced Bus Partnership by April 2022 or progressing a Bus Franchising scheme and the proposed next steps.

#### **2. Description of Decision**

Cabinet are asked to:

- (i) To note and endorse the contents of this report;
- (ii) Note the submission of a Bus Service Improvement Plan by the North East Joint Transport Committee and the planned development of an Enhanced Partnership proposal
- (iii) Agree to receive an update on the details of the Enhanced Partnership at a future Cabinet meeting

#### **3. Introduction/Background**

- 3.1 This report outlines the challenges which are currently being faced by the bus industry in Sunderland, the North East and the UK. It also discusses the current central, regional and local government strategies and policies to increase public transport ridership and the next steps which are required in Sunderland to deliver improvements in the bus network.

#### **4. Development of Proposals**

- 4.1 Public transport is an integral part of how people get around in Sunderland and is key to achieving the Council's goals relating to air pollution, climate change and an inclusive economy. Sunderland has relatively low levels of car ownership, at the time of the last census in 2011, 35.6% of households across the city did not have access to a car. This percentage is significantly higher in certain parts of the city. This means that public transport, including bus travel, is integral to the everyday lives of many people in the city.
- 4.2 This is reflected in high levels of bus use. While bus use has been in decline outside London, each resident of Tyne and Wear takes an average of 99 bus journeys per year, the fourth highest rate outside London and the highest of any major metropolitan area. Sunderland has around 1.035 miles of bus lanes/bus links and has many of the region's most frequent and well used services.



- 4.3 The bus industry in England outside London has been deregulated since the 1980s, this means that private operators are free to run services on a commercial basis, determine routes and retaining the risk of sustaining losses and competing against other operators. Local Transport Authorities can also subsidise socially necessary services. Bus services are registered and monitored by the Traffic Commissioners.
- 4.4 In 2017, the Bus Services Act ("the Act") was passed. This allowed local transport authorities to enter into a number of different arrangements to enhance their management of bus services. The new arrangements allowed are: Enhanced Partnerships; or Franchising. Such arrangements need to be entered into by the Local Transport Authority for the relevant area. In this case, those powers sit with the North East Joint Transport Committee.
- 4.5 Enhanced Partnerships are statutory arrangements under the Act which can specify, for example, timetables and multi-operator ticketing, bus liveries and emission standards. Single operator fares are set and collected by bus operators. A report to the Joint Transport Committee on 15<sup>th</sup> June 2021 noted that a successful Enhanced Partnership would help to achieve the objectives of the North East Transport Plan, in particular a green recovery through the provision of attractive forms of sustainable transport.
- 4.6 Franchising means that the area would have similar powers to the Mayor of London over buses. On-road competition is suspended and the bus service in the area would be specified by the Local Transport Authority. This includes the routes, fares, frequencies and quality of bus services. Operators bid for services in return for a fee but fares are set and collected by the Local Transport Authority.
- 4.7 In March 2021, the UK Government published the National Bus Strategy 'Bus Back Better'. This sets out the government's desire to enable a recovery in bus patronage after COVID and to ensure that buses are:
- More frequent
  - Cheaper
  - Faster and more reliable
  - More comprehensive
  - Easier to understand
  - Easier to use
  - Better integrated.
- 4.8 The COVID pandemic has had a very significant impact on bus use, patronage has been as low as 10% of pre-COVID levels nationally and is currently at around 60%. In order to support the industry, the Department for Transport ("DfT") has continued to fund services through the Covid-19 Bus Services Support Grant and other funding streams.
- 4.9 To drive growth in the bus industry, the government has committed that they will invest £3bn in bus services in England to 'level up buses in England towards London standards. This might include zero emission buses, bus infrastructure or other support for bus services.



- 4.10 A condition of accessing any element of future bus funding, for both operators and Local Transport Authorities, is that they move to either an Enhanced Partnership scheme or Franchising. There is currently one statutory Enhanced Partnership in place (Hertfordshire) and no Franchising schemes in place (although Greater Manchester has completed most of the required steps). Based on the timescales specified by government, Enhanced Partnerships should be in place by April 2022 and Franchising schemes must be on their way to delivery by this date. The decision on which avenue to pursue was required to be made by the end of June 2021, as set out in the National Bus Strategy and Bus Service Improvement Plan guidance.
- 4.11 The North East Joint Transport Committee as the Local Transport Authority for the area including Sunderland has conducted discussions with NEBus (the bus operators association for the North East) and all parties have expressed a desire to work together as a partnership. This has already led to improvements in joint ticketing arrangements (Network One).
- 4.12 The North East Joint Transport Committee propose that an Enhanced Partnership offer is developed in the first instance. An Enhanced Partnership will allow operators and Local Authorities to work in partnership to improve bus services in the region. It will also mean that Local Authorities will not take on revenue risk at a time when the recovery from COVID is relatively uncertain. It is possible to subsequently transition from plans for an Enhanced Partnership to Franchising as set out in section 21 of the Bus Service Improvement Plan Guidance.
- 4.13 A key part of any Enhanced Partnership scheme to make it attractive to operators are commitments from Local Authorities. These might require the provision of new facilities (such as bus stops, bus lanes or bus gates) or policy measures (such as changes to parking provision, commitments to enforce against illegal parking or restricting the number of roadworks on key bus corridors).
- 4.14 If any facility or measure is included in the Enhanced Partnership scheme, the relevant Local Authority has an obligation to provide it by the date specified unless the scheme is formally postponed or they are temporarily unable to do so for reasons outside their control. The Local Authority has the opportunity to develop these measures as part of an Enhanced Partnership process, as set out in section 4 of the Enhanced Partnership guidance.
- 4.15 As an interim step towards either Enhanced Partnerships or Franchising, DfT required Local Transport Authorities to have completed Bus Service Improvement Plans by the end of October 2021.
- 4.16 This document sets out the vision for the JTC area and key sets of interventions to deliver this. At this stage it does not contain specific commitments or include substantial scheme detail. For example, it specifies that bus priority is required along a particular corridor but not what specific interventions on that corridor might be.
- 4.17 Based on the quality of this document, DfT will make funding available from its £3bn fund to deliver potential commitments. This is in addition to other funding sources such as the Transforming Cities Fund. Correspondingly, an attractive and ambitious programme of potential bus priority and consideration of Bus Rapid Transit routes will be crucial to not only achieving the best possible Enhanced Partnership but also to obtaining external funding.



- 4.18 To arrive at a compelling Bus Service Improvement Plan, the Council, in its role as highway authority, has worked with Transport North East to examine the need for, and feasibility of, bus priority in locations across the city. This work forms part of the Bus Service Improvement Plan. Given the interconnected nature of the bus and transport network, this involved close working with Gateshead, Durham and South Tyneside Councils, as well as wider regional partners.
- 4.19 In some areas there are existing programmes of investment that are already looking at bus provision and priority, including the potential for new bus priority lanes and conversion of No Car Lanes into Bus Lanes, this work has not been duplicated but it could be funded through bids associated with the sources outlined in paragraph 4.9.
- 4.21 In other parts of the city, further work is underway to identify key areas for interventions and their potential costs. These might include bus lanes, bus priority at signals, red routes, other changes to parking or other dedicated bus infrastructure.
- 4.22 These programmes are expected to link corridors to our urban traffic management systems and also use a variety of existing physical infrastructure such as red routes, bus lanes, parking improvements and cycle lanes to provide better choices for residents and a better environment in which to travel and live. As part of the Enhanced Partnership process we will look at how these corridors pass through district centres to allow for better shopping and living experiences for residents to support and enhance our local economies.
- 4.23 As part of the ongoing development of these schemes, it is proposed that they will be reviewed to ensure they are in line with Bus Back Better and emerging Enhanced Partnership priorities.

## **5. Climate implications**

- 5.1 Public transport, even where it is not provided by low emission vehicles, is cleaner on average than individual car use. Increasing the number and proportion of people who travel by bus by increasing the attractiveness of bus travel will have positive climate impacts. It is expected that these will be quantified at a whole-region level by the Joint Transport Committee as part of the formal creation of an Enhanced Partnership.
- 5.2 As part of an Enhanced Partnership, authorities are able to specify the emission standards for bus services in certain areas. This will allow the City Council and operators to ensure that emissions are kept as low as possible.
- 5.3 Public transport can provide one of the most viable alternatives to the private car and the proposed Enhanced Partnership and the associated Bus Service Improvement Plan will be integral to reducing harmful vehicle emissions by minimising the number of car trips on the highway network, as well as providing other important health, safety and environmental benefits.



## **6. Performance Management**

- 6.1 A potential Enhanced Partnership as a statutory scheme would have defined and detailed criteria for success and reporting. These might include bus patronage and mileage, reliability, and customer satisfaction. These would be reported on regularly to the Council via the Joint Transport Committee as the responsible Local Transport Authority for the region.

## **7. Timetable for implementation**

- 7.1 The DfT has set the following (ambitious) timetable for implementation:
- End October 2021 – Joint Transport Committee published a Bus Service Improvement Plan
  - End March 2022 – Have an Enhanced Partnership in place or be following the steps toward Franchising
- 7.2 Any infrastructure or other improvements identified as part of the Enhanced Partnership will be delivered subsequent to its introduction if funding is in place. Other schemes to be brought forward using funding secured from other sources will be outlined in separate reports to Cabinet.

## **8. Reasons for the Decision**

- 8.1 To enable the development of an Enhanced Partnership through the North East Joint Transport Committee as required by Department for Transport.

## **9. Alternative Options**

- 9.1 The alternative option would be to not develop an Enhanced Bus Partnership and if this is not done, the Council would not only stand to miss out on funding for delivering improved bus priority, it would also mean that the recovery from COVID was at greater risk of being car-led, rather than one that favoured active and sustainable ways of getting around, including by bus.

## **10. Impact Analysis**

- 10.1 A full assessment of the impacts of an Enhanced Partnership will be completed as part of the detailed development of this document and will be presented to the Local Transport Authority as the relevant decision-making body.

- (a) **Equalities** – At this interim stage, it is expected that this proposal, if successful, will have a positive impact on carbon emissions, air quality, public health and the wider economy. Reductions in multi-operator fares and increased bus provision would also have positive impacts for an inclusive economy and social equity



The “Bus Back Better” strategy includes guidance from DfT to remove duplication of bus services and provision where possible, the potential impacts of this have not yet been assessed and will be as part of any wider Enhanced Partnership. It should be noted that removing duplicated bus services may lower the ability of some individuals to access the bus network and could alter existing levels of accessibility.

- (b) Privacy Impact Assessment (PIA) – n/a**
- (c) Sustainability –** The final Enhanced Partnership proposal will contain a full assessment of its sustainability impacts.
- (d) Reduction of Crime and Disorder – Community Cohesion / Social Inclusion – n/a**

## **11. Other Relevant Considerations / Consultations**

- (i) Financial Implications –** There are no direct financial implications arising from this report. As set out in paragraph 7.2 should investment in infrastructure or other improvements be required as a consequence following the implementation of the Enhanced Partnership then this will be considered by Cabinet at the appropriate time.
- (ii) Risk Analysis –** The key risk to the bus network is to do nothing. If the Bus Service Improvement Plan is not produced and there is no agreement of an Enhanced Partnership/franchising scheme, government will remove funding currently being used to support bus services. This would have a catastrophic impact on buses in the region, and the people who rely on them for employment, and access. The actions identified in this paper are designed to mitigate this risk.

Further risks to the successful delivery of this work are considered to be:

- A breakdown of working relationships with bus operators and other key stakeholders
- Not receiving sufficient funding from DfT to deliver a high-quality bus offer in the region; and
- An inability to deliver infrastructure commitments in the Enhanced Partnership.

These will be mitigated through:

- Formal and informal dialogue with key stakeholders to ensure clear communication of expectations
- Ensuring that Bus Service Improvement Plan is high quality and meets regional and national expectations; and
- A detailed review of infrastructure commitments in any Enhanced Partnership before adoption to ensure it aligns with delivery capability.



- (iii) **Legal Implications** –The Bus Services Act 2017 provides a new legislative framework to help bus operators and local authorities to improve local bus services.

As set out earlier in this report, there are two main new types of powers in the 2017 Act - partnership and franchising schemes - and it is a matter for relevant local transport authority for the local area to work with local bus operators to decide which of these tools (if any) will best improve local services in their area. In this case, the Joint Transport Committee as the Local Transport Authority is the relevant decision-making body.

- (iv) **Procurement** – There are no direct procurement implications for Enhanced Partnerships. Any works identified through Bus Service Improvement Plans or to support the development of the plans will be subject to standard procurement procedures.

### 13. Background Papers

National Bus Strategy 'Bus Back Better' March 2021

[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/980227/DfT-Bus-Back-Better-national-bus-strategy-for-England.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/980227/DfT-Bus-Back-Better-national-bus-strategy-for-England.pdf)

The Bus Services Act 2017 – Enhanced Partnerships Guidance:

[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/1002507/national-bus-strategy.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1002507/national-bus-strategy.pdf)

Bus Service Improvement Plans: Guidance to Local Authorities and Bus Operators, May 2021

[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/985379/bus-service-improvement-plans-guidance-to-local-authorities-and-bus-operators.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/985379/bus-service-improvement-plans-guidance-to-local-authorities-and-bus-operators.pdf)

North East Regional Transport Plan 2021-2035, February 2021

<https://www.transportnortheast.gov.uk/transportplan/>

JTC Report – Vision for Buses (item 9):

<https://northeastca.gov.uk/wp-content/uploads/2021/07/2021.07.13-JTC-Public-Agenda-Pack-v2.pdf>

JTC Report – Bus Partnerships (items 9 and 10):

<https://northeastca.gov.uk/wp-content/uploads/2021/07/2021.06.15-JTC-Public-Agenda-Pack.pdf>

North East Bus Service Improvement Plan

<https://www.transportnortheast.gov.uk/enhancedpartnership/>



