

15 June 2021

Agenda Item:9**REPORT OF THE CORPORATE DIRECTOR, PLACE****NATIONAL BUS STRATEGY AND TRANSPORT UPDATE****Purpose of the Report**

1. Provide an update on the current impact of the Covid 19 pandemic on the provision of local bus services and ongoing Government funding.
2. Seeking approval to develop an Enhanced Partnership arrangement with bus operators for implementation in April 2022 and sign a Statement of intent with the bus operators for the 1st July 2021.
3. Seeking approval for the County Council's approach to National Bus Strategy , Zero Emission Bus Regional Areas bidding opportunity.

Information

4. The County Council using the powers from the 1985 Transport Act has a statutory duty to consider the introduction of bus services, when services are withdrawn or changed, but no obligation to provide them. The County Council current budget for local bus support is £3.9m which supports over 75 contracts supporting over 100 services.
5. Most local bus services are provided by commercial operators, but this does differ from area to area, with the Nottingham conurbation approximately 98% commercial, whilst in East Bassetlaw around 10-20% is commercial. There were approximately 27m passenger journeys in the County in 2019/20 of which 1.8m journeys were carried out on supported services.
6. Since the 1985 Transport Act all buses outside London operate in a deregulated environment. Subsequent Acts in 2000, 2008 and the Bus Act 2017 have enabled all Authorities to pursue re-regulation but to date no Authority has successfully done so. Mayoral Authorities/Devolved Regions have automatic powers to re-regulate bus services and ticketing and the Manchester Mayor, following consultation with residents, is aiming to introduce franchising between early 2023 and the end of 2025. Many Authorities have therefore opted to develop various Partnership arrangements (Advanced Quality Bus Partnerships and Enhanced Partnerships) to deliver improvements in bus services and bus service infrastructure; the County Council currently has two in Mansfield and in Beeston.
7. Pre- pandemic the three largest operators alone covered approximately 33m passenger km with approximately 400 buses, employing over 1300 drivers; so, they are not only important because they connect people to jobs, training, education, health and leisure opportunities but also contribute significantly to the local and national economy. Studies indicate that for every £1 spent on bus services it generates £2. 50 for the economy.

8. Investment in Electric buses and Hydrogen powered buses can also contribute to combating air pollution and climate change with the County Council investing in 6 electric vehicles following successful bids to the Government. The Council also successfully bid for Clean Bus Technology Fund monies to retrofit all buses passing through Air Quality Management Areas in the County as well as in the City. Over 39 buses so far have been retrofitted with a further 33 to be completed by the end of Summer 2021.
9. As part of the Local Transport Plan the Council encourages modal shift to the bus as it helps with the management of congestion and minimises air pollution and CO2 Emissions. The bus is inherently a cleaner way to travel as a fully loaded double decker can take up to 75 cars off the road and a Euro 6 standard bus emits few emissions than an average diesel Euro 6 car despite having 15 to 20 times the capacity.
10. The Council as the Highway Authority has invested significantly over the years in bus station, bus stop, bus priority, bus lane enforcement and public transport information facilities since the publication of the first Local Transport Plan. This investment has been informed by Bus operator investment, residents and councillors. Research indicates that for every £1 spent on public transport infrastructure generates £4.90 for bus priority measures and in the case of Mansfield Interchange £6.80.
11. The Council as Local Transport Authority consistently scores highly in national Transport Focus surveys for passenger satisfaction as do a number of local bus operators who are consistently in the top ten. However, through these surveys and stakeholder feedback there are several concerns from residents on service levels, access to employment and value for money especially around ticketing for young people and the lack of Integrated ticketing.

Covid 19 Update

12. Currently commercial and supported bus services are operating at near pre-pandemic service levels whilst bus patronage has risen to between 50 and 60% of pre-pandemic levels. There is a lot of uncertainty on whether patronage will return to the levels seen before the pandemic.
13. The government is currently funding the difference between income and expenditure on local bus services to ensure there is sufficient capacity within the bus network to enable people to access work, education, health and leisure activities and has refined the government message from 'Essential travel only' to a 'minimise travel' message. The Government has been making these Covid-19 Bus Services Support Grant payments directly to operators for commercial services and to the Council for supported services.
14. The government funding will continue beyond the Roadmap end date (21st June 2021), but is linked to Local Transport Authorities (LTA's) and bus operators signing up to an Enhanced Partnership (EP) by the end of June 2021. This is part of the National Bus Strategy requirements which is discussed in detail later in this report.

County Council Services and Facilities

15. Notts County Council operated bus services and contracted services have continued to operate throughout the pandemic and service levels are back to pre-pandemic levels. Patronage is currently at 50% of pre-pandemic levels.
16. Services were initially provided through a revised 'on-demand' booking process and then as numbers have increased all Fleet operated services have returned to full operation.

17. Fleet Transport have also helped provide additional and new services on behalf of Adult Social Care and have also supported the Meals service in their deliveries. Drivers have worked throughout the pandemic and essential services have been maintained throughout.
18. Mainstream School Transport and Special Educational Needs Transport has continued to be provided throughout the pandemic with additional services introduced in line with Government guidance to minimise covid-19 transmission; and will revert to normal operations from September 2021.
19. Many routes were re-planned to reduce passenger numbers and to split services which operated to multiple school sites.
20. The Transport Solutions and Mainstream schools' teams have worked throughout the pandemic to make the changes necessary as Government guidance evolved and working with colleagues in Children's Services, they have kept schools, parents and operators informed throughout.
21. Bus stations have largely remained open throughout the pandemic with covid-19 control measures in place.
22. Initially some bus stations were closed or operating hours reduced to reflect bus service levels and bus service operating hours. This has slowly changed as we have moved through the pandemic and all the bus stations are now operating at pre- pandemic levels.
23. Development and Partnerships and Catering and Facilities Management teams have worked throughout the pandemic, adapting service provision as required, to keep staff and passengers safe.

National Bus Strategy Background

24. In March 2020 the Government announced over £3bn to be invested in bus services and bus service infrastructure; including bus priority measures, bus stop improvements, ticketing, and Information. A 'Transport Review' paper was prepared for Committee in March 2020, outlining several National Bus Strategy bidding and funding opportunities and the Government's aspiration to publish a National Bus Strategy to help guide future investment. The strategy has been delayed because of pandemic.
25. The Council prepared a successful bid for Rural Mobility Fund monies (£1.497m) and will be introducing a number of Demand Responsive pilots in 2021/22 in South West Rushcliffe, Mansfield and the Ollerton area following consultation with residents.
26. The Government also provided some one-off funding of £648k to spend on Covid-19 affected services to aid the recovery.

National Bus Strategy for England - Bus Back Better

27. The Government published on the 15th March 2021 the national bus strategy for England which wants bus operators and LTA's to work more closely together to deliver better bus services. The Prime minister has stated that the 'The fragmented, fully-commercialised market, which has operated outside London since 1986, will end'

28. The government also sees the bus as important in the levelling up agenda with Grant Shapps stating that ‘The quality of bus service you receive shouldn’t be dependent on where you live. We will provide unprecedented funding, but we need councils to work closely with operators and the government, to develop the services of the future’
29. The government has announced £300m for the covid-19 recovery phase and this is only available to LTA’s and bus operators who sign up to a statement of intent by the 1st July 2021 to deliver an EP or Franchising. The EP would then start in April 2022 subject to successful negotiations with the bus operators.
30. As part of the EP the Council must produce a Bus Service Improvement Plan (BSIP) to access further funding for services and infrastructure from 22/23. These BSIP’s will help inform the Government approach to the allocation of £3bn over the coming years and will have to be completed by the end of October 2021. A further committee report on the BSIP will follow in due course.
31. The Government has also allocated £100k capacity funding to help the County develop an ambitious BSIP and EP. Further guidance is also expected over the coming weeks to assist the preparation of these key plans.
32. The government expectation for EP’s are as follows:
- Align with the Councils Local Transport Plan, Council Plan and Environment Strategy
 - Plans for Zero-Emission buses. The government is currently consulting on the end date for the sale of diesel buses.
 - Turn up and go services (every 15 mins) on many bus corridors
 - More evening and Sunday services, feeder services and Demand Responsive Transport solutions.
 - Better integration between modes -train, tram and cycling
 - Simple and accessible integrated information and branding reflecting the local area
 - Improved information accessible to everyone on bus and off bus.
 - Simpler and cheaper fares including Integrated ticketing and Young person ticketing
 - Contactless ticketing with fares always giving the best value
 - Bus priority measures, enforcement and improved public transport infrastructure to improve bus reliability and punctuality. Promoting bus service reliability will be an integral part of NCC Traffic Management Duties
 - Improved roadworks co-ordination to minimise disruption to buses and bus users.
33. As part of the EP process, consultation with members, residents and other stakeholders will be undertaken.

Zero Emission Bus Regional Areas scheme (ZEBRA)

34. The Government also announced £120m for LTA’s to bid for electric and hydrogen buses. LTA’s are being encouraged to bid for one self-contained operating area, as per the electric bus bid, but there is no requirement for all buses to be alternatively fuelled as required previously. The guidance acknowledges this may be difficult with longer distance services in the short term. The bids must be completed ‘at pace’ for the end of June 2021 for implementation in 2022/23.

35. The government, acknowledging the impact of the pandemic on bus companies' finances is looking for LTA's and bus operators to consider leasing arrangements to minimise upfront costs during this difficult time for bus operators and LTA's.
36. The County Council has engaged with adjoining Local Transport Authorities and local bus operators to scope out the preparation of a bid for ZEBRA either this year or next year when further bidding opportunities are likely to arise. This will be part of the EP negotiations with the bus operators.

Proposals

37. It is proposed that the County Council sign up to a statement of intent with the bus operators to develop an Enhanced Partnership and Bus Service Improvement Plan for 2022, in order to pursue the potential improvements outlined in paragraph 32.
38. That Officers prepare a Notts County Council bid for ZEBRA funding or provide support for adjoining LTA's preparing an expression of interest, which has positive outcomes for Nottinghamshire bus operators, services and residents.

Reasons for Recommendations

39. Not signing a statement of intent for an EP will mean bus companies and the County Council will not be able to access Covid-19 recovery funding from July 2021. This will mean a reduction in service provision and access to services and will damage the recovery process.
40. Not signing up to the development of an EP will mean the Council is unable to secure future government funding for the improvements outlined in paragraph 23, from April 2022.
41. A successful bid to ZEBRA, securing external funding, supports infrastructure improvements to make the County an attractive proposition for investment.

Public Sector Equality Duty Implications

42. Consideration will be given to our Public Sector Equality Duty and an Equality Impact Assessment will be conducted where necessary to assess the impact of any changes.

Statutory and Policy Implications

43. This report has been compiled after consideration of implications in respect of crime and disorder, data protection and information governance, finance, human resources, human rights, the NHS Constitution (public health services), the public-sector equality duty, safeguarding of children and adults at risk, service users, smarter working, sustainability and the environment and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

Implications for Service Users

44. The proposals outlined in this report support existing and future bus users to access employment, training, health and leisure facilities. These actions are also intended to minimise the impact of Covid-19 and aid the economic recovery.

Financial implications

45. The detailed financial arrangements for the National Bus Strategy are not yet known and will be subject to a future report.

RECOMMENDATIONS

- 1) Committee approves the signing of a statement of intent with the bus operators to an Enhanced Partnership arrangement from April 2022.
- 2) Committee approves the Council approach to the Zero Emission Bus Regional Areas scheme funding opportunity.
- 3) That a further update report on the National Bus Strategy is presented to this Committee in the Autumn

Adrian Smith
Corporate Director, Place

For any enquiries about this report please contact: Gary Wood, Group Manager, Highways and Transport / Pete Mathieson, Team Manager, Development & Partnerships

Constitutional Comments (AK 5/5/2021)

46. The report falls within the remit of Transport and Environment Committee under its terms of reference.

Financial Comments (RWK 20/05/2021)

47. There are no financial implications arising directly from the report. Any financial implications that arise from the National Bus Strategy or from any bids for funding will be considered in future reports to the Committee.

Background Papers

Except for previously published documents, which will be available elsewhere, the documents listed here will be available for inspection in accordance with Section 100D of the Local Government Act 1972.

- Communities and Place Committee: Transport Review update – 5th March 2020
- Communities and Place Committee: Transport Review update – 3rd September 2020
- **Useful links:**
- [Bus-Back-Better : national bus strategy for England](#)
- [DfT - Latest Transport documents](#)
- <https://www.gov.uk/government/consultations/ending-the-sale-of-new-diesel-buses/ending-of-the-sale-of-new-diesel-buses>

Electoral Divisions and Members Affected

- All