

**REPORT TO: WEST OF ENGLAND COMBINED AUTHORITY
COMMITTEE**

DATE: 28 JANUARY 2022

**REPORT TITLE: ENHANCED PARTNERSHIP PLAN AND SCHEMES
FOR BUSES**

**DIRECTOR: KATHRYN VOWLES, INTERIM DIRECTOR OF
INFRASTRUCTURE**

AUTHOR: ANDY STRONG, BUS IMPROVEMENT MANAGER

Purpose of Report

To update the Committee on the development of a joint Enhanced Partnership Plan and Schemes with North Somerset Council, as required by the National Bus Strategy, and to seek delegated authority to approve the final documents.

Impact of Covid-19 pandemic

- The Combined Authority has actively reviewed key activities and the work programme to reflect changing priorities as a result of the Covid-19 pandemic.
- Development of an Enhanced Partnership Plan and Schemes to improve the local bus network will contribute positively to clean and inclusive growth, and assist businesses and residents seeking employment.

Recommendations

- That the Committee notes the work that has been done so far with bus operators and local highway authorities on the development of an Enhanced Partnership Plan and Schemes.
- That the Committee grants delegated authority to the Chief Executive of the West of England Combined Authority, in consultation with the Chief Executives of the constituent councils and North Somerset Council, to approve the making of a joint Enhanced Partnership Plan and Schemes for the West of England area (equivalent delegations are being sought at North Somerset Council to deliver a single EP for the region).

1 Background / Issues for Consideration

Bus Strategies

- 1.1 *Bus Back Better - a National Bus Strategy for England* (NBS) was published in March 2021. Whilst acknowledging investment by the private and public sectors – including a spotlight on our *metrobus* – it highlighted the failings and negative features of the deregulated market that has been in place outside London since 1986 and set out a new vision for a cohesive network of attractive, high-quality bus services.
- 1.2 The overall vision and aims of the NBS are:
- To get overall bus patronage back to its pre-Covid level and then exceed it;
 - To make the bus a practical and attractive alternative to the car for more people;
 - To make buses more frequent, more reliable, easier to understand and use, better co-ordinated and cheaper;
 - To offer a London-style bus network: fully integrated services, simple multi-modal tickets, more bus priority measures, high-quality information for passengers, services that keep running into the evenings and at weekends and turn-up-and-go frequencies in cities;
 - To provide significantly more ambitious bus priority schemes in cities and congested places, taking a whole-corridor approach to improve journey times and punctuality;
 - To create a virtuous circle: increasing use, but also reducing operating costs so that better services can be sustained without permanently higher subsidy.
- 1.3 The West of England Bus Strategy was adopted in June 2020 after extensive consultation. It contained an analysis of the local bus network and set out proposals to reshape and develop the network to make it more efficient and more attractive to passengers within the existing envelope of funding. One of the core principles would be frequent radial and orbital bus services connecting at interchange hubs. Publication of the NBS has provided an opportunity to review the West of England Bus Strategy in the light of the impact of the pandemic, use it as the basis for our Bus Service Improvement Plan and Enhanced Partnership, review and re-set our targets, and bid for funding to deliver improvements.

Bus Service Improvement Plan

- 1.4 The NBS required local transport authorities (LTAs) to develop an ambitious Bus Service Improvement Plan (BSIP) in collaboration with local bus operators, highway authorities, community transport bodies and local businesses, services and people. Guidance on development of a BSIP was published in May 2021 and guidance on bidding for funding was published in August 2021. The delivery model for most LTAs was expected to be an Enhanced Partnership.
- 1.5 Government made it clear that BSIPs should be outlines rather than detailed and granular documents. Any commitments in them would not be taken as definitive or immutable. Even so, the guidance was very explicit about the features that the bus network must have to meet the vision of the National Bus Strategy and the content of a BSIP. The BSIP had to include proposals to improve the local bus network to the standard described in paragraph 1.2, estimate the costs of so doing and, in

addition, it had to:

- Take account of cycling and walking schemes, complementing those forms of travel;
- Include targets for punctuality, journey times and patronage with reporting of progress against those targets every six months;
- Be updated annually and reflected in the Joint Local Transport Plan.

- 1.6 Development of the BSIP was carried out jointly with NSC to a very challenging timescale set by Government, culminating in publication and submission to Government at the end of October 2021. Whilst an announcement for capital funding from the City Region Sustainable Transport Settlement (CRSTS) has been made and further steps set out through the requirement to submit a Strategic Outline Case, the award of revenue funding is expected in February 2022.

Enhanced Partnership

- 1.7 At its meeting on 25 June 2021, the West of England Joint Committee approved a recommendation for the West of England CA and North Somerset Council (NSC) to work together on submission of a joint BSIP and to publish a formal Notice of Intent to develop a joint Enhanced Partnership as the delivery model. That Notice was published on 28 June 2021.
- 1.8 An Enhanced Partnership (EP), is a statutory agreement between LTAs and bus operators under which each party makes legally binding commitments to improve bus services and the facilities associated with them. Where those commitments involve traffic regulation orders, the relevant local highway authority must be a formal party to the EP. We propose to achieve that by having a Memorandum of Understanding in place with our local highway authorities and a draft is under discussion with them at present.
- 1.9 An EP has the potential to bring about improvements quickly and it puts in place a framework under which future improvements can be delivered as and when funding becomes available. It comprises an overarching EP Plan and one or more EP Schemes.
- 1.10 An EP Scheme sets out all the obligations of the partners that support the BSIP objectives. The obligations on operators include the development of multi-operator ticketing, a recognisable brand across the region and provision of an integrated service.
- 1.11 Government strongly recommends that the initial EP should “memorialise” all existing agreements such as quality partnership schemes, voluntary partnership agreements, traffic regulation conditions, current expenditure on bus service support, traffic regulation orders for bus priorities, bus shelter maintenance expenditure etc, and we are following that recommendation.
- 1.12 Initially, Government required all LTAs to have an initial EP in place by 1 April 2022 and it made continued payment of discretionary funding to bus operators and LTAs absolutely conditional on development of an EP. This requirement has since been revised, as explained below.

Current state of play

- 1.13 The Department for Transport wrote to all LTAs on 11 January 2021, advising that the deadline for completion of the initial EP has been postponed from 1 April 2022 until a date to be advised after announcement of the indicative funding award in February 2022. Also, they recommended that LTAs should pause the operator objection period and statutory consultation until after the announcement too.
- 1.14 A draft EP Plan and Scheme have been prepared and are currently at the stage where operators have the right to make a formal objection to any of the requirements being placed on them. Having started this process, we propose to complete it but not carry out subsequent steps until after the funding announcement.
- 1.15 A second EP Scheme to replace the quality partnership scheme that governs the metrobus network is being drafted. We will aim to co-ordinate the timescales for all elements of the EP as far as possible.
- 1.16 Transport and highways lead officers at the constituent councils have been involved and kept fully informed in the development of this work.
- 1.17 Recovery of the bus network from the impact of the pandemic is taking longer than had been anticipated at the time of publication of the NBS and has been set back further by renewed Government advice to work from home if possible. Coupled with great uncertainty over the level of emergency support that Government will make available from April 2022 onwards, the bus industry is in a difficult situation at the time of writing.
- 1.18 Approval is being sought from Committee for the Chief Executive to be given delegated authority, in consultation with the other relevant Chief Executives, to approve the final version of the EP Plan and Schemes prior to them being formally “made.”

2 Consultation

- 2.1 Extensive public consultation was carried out on the West of England Bus Strategy in February / March 2020 with nearly 2,000 responses being received. In view of the short timescale, public consultation was not required for the BSIP, but the views of passenger groups, MPs and the business sector were sought and reported. We invited views from these stakeholders in July / August 2021 and received 55 responses. The results helped inform the priorities for investment included in the final BSIP and have also been considered as part of the EP development.
- 2.2 When we have been notified of the awards of the funding bid to Bus Transformation Fund, we may seek further advice from our communities on the priorities for investment and revenue support.
- 2.3 As part of the statutory EP process, a short technical consultation has to be carried out with organisations that represent passengers, neighbouring local authorities, the Traffic Commissioner, the Police, Transport Focus and the Competition & Markets

Authority. We propose to carry that out after the announcement of the funding award.

- 2.4 Once the EP has been formally made, engagement with all relevant parties will be formalised. Guidance suggests the use of an Advisory Panel supported by a Board. We propose to set up a wider Bus User Forum to provide input to the process too.

3 Other Options Considered

- 3.1 As part of the initial work on the BSIP, consideration was given to the adoption of franchising as an alternative delivery model. Given the more collaborative nature of an EP, building on existing strong working relationships with local operators, this was chosen as the approved model.

4 Risk Management/Assessment

- 4.1 The key risks that the recommendations will address are:

- (i) Potential loss of discretionary funding from Government to support commercial bus operators and our bus service contractors during recovery from the pandemic;
- (ii) Potential loss of opportunity to bid for transformation funding to make longer-term improvements to the bus network and help support recovery after April 2022.

- 4.2 The risks associated with implementation of the recommendations *and appropriate mitigations* are:

- (i) Insufficient revenue budget to maintain enhanced bus network if demand recovers more slowly than anticipated;
 - *Maintain regular dialogue with bus operators through the EP. Use existing evaluation framework to help prioritise bus revenue support if necessary. Make evidence-based case to Government for additional funding if necessary.*
- (ii) Insufficient revenue budget in longer-term to maintain enhanced bus network after transformation funding ends;
 - *Maintain regular dialogue with bus operators through the EP. Use existing evaluation framework to help prioritise bus revenue support if necessary.*
- (iii) Award of transformation funding at much lower level than bid based on BSIP, leading to insufficient funding to deliver full BSIP.
 - *Adjust delivery programme to match award in accordance with our priorities and seek funding from other sources.*

5 Public Sector Equality Duties

- 5.1 The public sector equality duty created under the Equality Act 2010 means that public authorities must have due regard to the need to:
- Eliminate unlawful discrimination, harassment and victimization and other conduct prohibited by the Act.

- Advance equality of opportunity between people who share a protected characteristic and those who do not.
- Foster good relations between people who share a protected characteristic and those who do not.

- 5.2 The Act explains that having due regard for advancing equality involves:
- Removing or minimizing disadvantages suffered by people due to their protected characteristics.
 - Taking steps to meet the needs of people from protected groups where these are different from the needs of other people.
 - Encouraging people from protected groups to participate in public life or in other activities where their participation is disproportionately low.
- 5.3 The general equality duty therefore requires organisations to consider how they could positively contribute to the advancement of equality and good relations. It requires equality considerations to be reflected in the design of policies and the delivery of services, including policies, and for these issues to be kept under review.
- 5.4 The proposals in this report will help to develop and maintain a network of bus services offering good access to public transport for all members of the community. This has been assessed as part of a stage one Equalities Impact Assessment and will continue to be assessed as the Enhanced Partnership goes live in April 2022 when a stage two assessment will take place.

6 Climate Change Implications

- 6.1 In 2019, the Combined Authority (July 2019) declared a climate emergency, recognising the huge significance of climate change and its impact on the health, safety and wellbeing of the region's residents. The Combined Authority is committed to taking climate change considerations fully into account as an integral part of governance and decision-making processes.
- 6.2 The recommendations will have a positive impact on emissions, resilience, consumption of non-renewable resources and pollution by creating a virtuous circle of growth in the use of buses and by co-ordinating bus operators' plans to move to zero-emission fleets.

7 Finance Implications, including economic impact assessment where appropriate

- 7.1 The revised budget for developing a joint BSIP and EP estimates a total cost of £880k. The Department for Transport paid £100k Capacity Funding to the West of England CA and £163k to North Somerset Council (NSC). The balance will be funded either from the capacity funding associated with the City Region Sustainable Transport Settlement (CRSTS) – which has not yet been confirmed - or, failing that, approval has been granted for Feasibility and Development Funding to cover any shortfall.

- 7.2 There will be a requirement for additional staff resources to service the joint EP after it has been made and to carry out the ongoing reporting and review work arising from the joint BSIP. The extent of this requirement will be dependent to some extent on the success of the funding bids so it will be refined in due course. Any additional resource requirements will be funded from the money received from Government if the bid is successful.
- 7.3 Funding to deliver the BSIP will come through the CRSTS and from the remaining £1.2bn Bus Transformation Fund (BTF). The capital element for the West of England CA will be funded by the CRSTS. The capital element for NSC and the revenue element for both areas will be funded by BTF.
- 7.4 The bid to the CRSTS was submitted in September 2021 and Government announced a month later that £540m had been awarded to the West of England CA.

Advice given by; Malcolm Coe, Director of Investment and Corporate Services

8 Legal Implications

- 8.1 Enhanced Partnerships are enshrined in the Transport Act 2000 (as amended by the Bus Services Act 2017). Government has published detailed guidance on the statutory process to develop an EP and on its expectations for Bus Service Improvement Plans together with a template EP document. The guidance is being followed.
- 8.2 A Memorandum of Understanding between the West of England CA and North Somerset Council is in place to cover the joint work on developing the BSIP and EP. Further consideration will be given to the arrangements to manage the EP jointly after its launch.
- 8.3 A Memorandum of Understanding between the West of England CA and its constituent councils has been drafted to cover the collaborative work needed to develop the EP.

Advice given by: Shahzia Daya, Director of Legal Services

9 Land/Property Implications

None

10 Human Resources Implications

- 10.1 There will be a requirement for additional staff resources to service the joint EP after it has been made and to carry out the ongoing reporting and review work arising from the joint BSIP. The extent of this requirement and the associated cost has been outlined in the bid and will be refined as the work progresses. Any additional resource requirements will be funded from the money received from Government if the bid is successful.

Advice given by: Alex Holly, Head of People and Assets

Background papers:

- West of England Bus Strategy (June 2020)
<https://travelwest.info/app/uploads/2020/02/West-of-England-Bus-Strategy.pdf>
- Bus Back Better – a National Bus Strategy for England (March 2021)
<https://www.gov.uk/government/publications/bus-back-better>
- National Bus Strategy: Bus Service Improvement Plans (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
- National Bus Strategy: Delivering Bus Service Improvement Plans using an Enhanced Partnership (July 2021):
https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/959501/bus-services-act-2017-enhanced-partnerships-guidance.pdf
- Revised EP Guidance was published in October 2021:
[Bus Services Act 2017: Enhanced Partnership creation - GOV.UK](https://www.gov.uk/government/publications/bus-services-act-2017-enhanced-partnership-creation)
- Notice of Intent for the West of England CA and North Somerset Council to develop a joint Enhanced Partnership:
<https://www.westofengland-ca.gov.uk/wp-content/uploads/2021/06/NOTICE-OF-INTENT-TO-PREPARE-AN-ENHANCED-PARTNERSHIP-PLAN-AND-SCHEME.pdf>
- West of England Bus Service Improvement Plan:
<https://www.westofengland-ca.gov.uk/what-we-do/transport/bus/>

West of England Combined Authority Contact:

Any person seeking background information relating to this item should seek the assistance of the contact officer for the meeting who is Ian Hird on 07436 600313; or by writing to West of England Combined Authority, 3 Rivergate, Temple Quay, Bristol BS1 6EW; email: democratic.services@westofengland-ca.gov.uk