

Report to: Transport Committee

Date: 7 July 2023

Subject: **Bus Service Improvement Plan and Network update**

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| Is this a key decision? | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| Is the decision eligible for call-in by Scrutiny? | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |
| Does the report contain confidential or exempt information or appendices? | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| If relevant, state paragraph number of Schedule 12A, Local Government Act 1972, Part 1: | |
| Are there implications for equality and diversity? | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |

1. Purpose of this Report

- 1.1 The purpose of this paper is to update Transport Committee on the state of West Yorkshire's Bus Network and the proposed approach to using Bus Service Improvement Plan (BSIP) and other funding to manage this, including to seek approval to the delegation for the approval of £3,875,221 BSIP+ funding to the Interim Director of Transport Operations and Passenger Experience (Mobility Services and Transformation) to respond to immediate challenges, including service protection, as they arise over the current financial year.

2. Information

Background

Recap on what the BSIP said and funding approvals to date.

- 2.1 The Combined Authority published its [Bus Service Improvement Plan](#) (BSIP) in October 2022. This set out a strategic vision and delivery priorities to transform the West Yorkshire bus system, including the ambition for a 'a radically enhanced, fully inclusive and more cohesive bus and public transport network which takes people where they need to go, when they need to go, and caters for the complexity of modern travel patterns.'

- 2.2 The BSIP set out that to improve the bus system, essentially, we are looking to expand the ‘high frequency’ core network – delivering more frequent services on more routes and across service hours – and make the secondary less frequent networks more regular and consistent. Primarily this will:
- Expand the number of services and routes so that more people can access a bus that runs every 15 minutes or quicker.
 - Ensure buses running on less frequent routes are more consistent and regular so they can still be relied upon for travel.
 - Ensure service frequencies extend throughout the day from early morning until evening and are designed to serve the particular needs of families with children, shift workers and those working in the night-time economy.
- 2.3 This will support us to meet this BSIP’s ambitious Key Performance Indicators and targets, based on 2019 figures, including those to:
- Increase bus’s weekday mode share on radial routes into district centres by 5% by 2025 and by 10% by 2030.
 - Improve housing accessibility via the core bus network to 55% by 2025 and to 65% by 2030.
 - Improve employment accessibility via the core bus network to 60% by 2025 and to 70% by 2030.
 - Increase service provision (in bus miles) for those travelling in the early morning and evening by 2.5% by 2025 and by 5% by 2030.
- 2.4 Fundamental to the BSIP’s strategic principles was that this action is necessary to not just improve connectivity for existing bus passengers but also to transform the bus network, so it is a viable alternative to the private car, better connects communities, supports inclusive economic growth and helps the region respond to the climate crisis.
- 2.5 In April 2022, the Combined Authority was notified by the Department for Transport that it had been indicatively awarded £69,974,070 in revenue funding, over three financial years, to support delivery of its BSIP. Following full confirmation of this funding, £30,950,000 of the total funding programme was assigned to ‘New and Improved Services’.
- 2.6 [In May 2023](#), Transport Committee gave approval to the development and initial delivery costs of up to £6,228,434, subject to discharge of specific conditions, taking the total approval to date to £7,998,434. This comprised up to £770,000 for development costs, £3,000,000 for Tranche 1 ‘Network Protection and Quick Win Enhancements’ and up to £4,228,434 for ‘Enhanced Bus Services’.

Network instability and service changes

- 2.7 Since publication of the BSIP in 2021, the bus network – which is primarily run on a commercial basis by operators and supported with services contracted by the Combined Authority on non-profitable routes – has faced ongoing challenges which threaten the full realisation of the BSIP vision.

- 2.8 These challenges include, primarily, suppressed patronage. The number of people travelling has never fully recovered from the impact of the Covid-19 lockdown, and with many travel patterns permanently altered, patronage has steadied at around 85% of pre-pandemic levels. This has meant revenue has been affected and the commercial make-up of the network severely impacted.
- 2.9 Compounding patronage challenges, there has been a 30% increase in cost of running bus services – due to the cost-of-living crisis, fuel price increases and driver shortages. Four operators entered into administration or ceased trading.
- 2.10 As a result, there have been widespread negative commercial service changes, across all West Yorkshire districts, including:
- 22 full-service withdrawals
 - 18 part-service withdrawals
 - 20 frequency reductions
 - 10 reduced span of hours
 - And many more minor changes
- 2.11 These changes have affected all parts of the network, including areas already underserved.
- 2.12 These factors have resulted in an increase of up to 25% in tendered service spend for the Combined Authority (based on 2021/22 vs 2018/19 budgets). This adds to business-as-usual spend on tendered ‘socially necessary’ services, whereby the Combined Authority invests approx. £17m annually in contracting non-commercial services in areas where there would not otherwise be a bus services, as well as additional early morning, evening and weekend journeys on routes which otherwise operate on a commercial basis at times when demand is higher.

BSIP + funding and implications

- 2.13 Through the pandemic and beyond, the bus network has been financially supported by central Government, first by Covid Bus Service Support Grant (CBSSG) and then the Bus Recovery Grant (BRG). These short-term funding settlements have helped protect the network to some extent, but a review conducted by the Combined Authority and operators in 2022 found that up to 11% of the network (measured by mileage) was not generating sufficient revenue to continue to operate on a commercial basis when funding ended.
- 2.14 On 18 May 2023, Government announced replacement of Bus Recovery Grant through a different funding method – grants to operators and authorities across two financial years. £3,875,221 has been awarded to the Combined Authority to protect some services this financial year – further support, of similar value, is expected next year.
- 2.15 The direct-to-operators element of this funding is estimated as approximately 50-60% of the previous levels of support, and therefore further service changes are expected in July and September 2023.

- 2.16 The Combined Authority is currently seeking confirmation as to the full extent of changes anticipated however, the total value of these is likely to be more than funding granted to the Combined Authority to offset these changes.
- 2.17 The Combined Authority has been pushing operators to defer any cuts until September 2023 on the basis of mobilisation time required to (a) establish requirements and (b) procure replacement services.
- 2.18 To protect connectivity for the passenger, the deployment of BSIP+ funding will have to be agile and responsive to the networks needs as challenges arise. Therefore, approval is sought to delegate this spend to the Director of Transport Operations and Passenger Experience to deploy as required.

Bus Network Plan update

Funding availability

- 2.19 Overall, the result of these challenges means that across West Yorkshire, as part of its Bus Network Plan, the Combined Authority must act to:
- Continue to provide socially necessary connectivity, on a non-commercial basis, for communities which would otherwise not have a bus service.
 - Restore, stabilise and protect the network from further cuts, to prevent further losses to the existing standards of connectivity.
 - Enhance and grow the network, to support transformation of the bus network and wider social, economic and environmental ambitions for the region.
- 2.20 This will be possible through the use of four different funding pots, as set out in the table below. These comprise a mix of one-off grants, multi-year funding settlements and annually available budgets, totalling approximately £87m over the next three years.
- 2.21 Nevertheless, the funding available will not be sufficient to fully realise the Combined Authority's ambitions for the local bus network and investment will need to be prioritised.

Table 1 – Funding available to the Combined Authority to support the Bus Network

| Budget | Funding available | Objectives |
|------------------------------------|-----------------------------------|---|
| BSIP – new and enhanced | £18.5m over 3 years | To contract new and enhanced services that improve the bus network, in line with BSIP ambitions. |
| BSIP+ - protect and restore | £3.9m (2023/24) £TBC (2024/25) | To contract services that stabilise the network, protect existing connectivity and restore links lost by historic cuts. |

| | | |
|--|---------------------|---|
| BSIP – Enhanced Bus Services (Superbus) | £10.1m over 3 years | To work in partnership with operators to support the growth of commercial services. |
| ‘Socially necessary’ tendered services | £17m p/a. | To provide commercially unviable but socially necessary services, and other strategic links, to communities that would otherwise be without a bus service, as part of business-as-usual activity. |

Transport Committee workshop outcomes

- 2.22 Further to previous updates on development of the Bus Network Plan, a workshop was held with Transport Committee members in June 2023 to discuss the strategic approach to supporting the bus network over the coming years considering recent funding announcements and current challenges. Members made clear the:
- Need to ensure basic standards of connectivity, as well as transformation of the network in the longer term.
 - The varying needs of different districts council areas in terms of the state of their local bus network and travel demands.
 - The need to address historic as well as upcoming services changes and cuts to the bus network.
 - The importance of early morning and evening services to support travel to work and for other purposes.
 - The role of bus reform in ensuring longer-term sustainability of the network.

Network support and network transformation criteria

- 2.23 Recognising both the need to balance transformation with support for the existing network and prioritise interventions due to the limited funding available, the Combined Authority will use different criteria to assess whether it invests to support/protect or enhance/provide a new service.
- 2.24 Table 2 sets out the proposed criteria that interventions in the network will be assessed against, which builds upon the existing tendered services criteria for ‘socially necessary’ bus services.
- 2.25 The use of this criteria recognises that the Combined Authority cannot afford to invest in all aspirations for the network, and that interventions should be based on evidence and principles that work towards achieving the vision set out in the BSIP, whilst continuing to ensure ‘socially necessary’ tendered services can still be provided.

Table 2: Criteria for assessing investment in the Bus Network

| Network transformation criteria | Network support criteria |
|---|--|
| <p>Budget: BSIP Objectives: Grow, improve and transform the standard of bus connectivity for communities across West Yorkshire, providing <u>new and enhanced services</u> to build on what the commercial network provides.</p> <p>Criteria: <u>Outputs</u></p> <ul style="list-style-type: none"> • Classified as new or enhanced • Enhances a service to meet BSIP frequency targets within that time period. • Grows the core network – 15 mins or higher. • Extends service provision into the early morning and evenings. <p><u>Indicators</u></p> <ul style="list-style-type: none"> • Patronage levels • Deprivation levels • Population living within 400m • Employment areas served with 400m • Areas of leisure, cultural and tourist interest • Connections to major conurbations and towns • Connections to rural towns and villages • Interchanges to other connecting services and other modes. • Public services connected – health, education, etc. • Extent to which routes are supported with existing and/or planned bus priority measures | <p>Budget: Tendered services, BSIP+ Objectives: ensure a basic, socially necessary, standard of bus connectivity for communities across West Yorkshire, <u>providing, protecting and reinstating services</u> where the commercial network fails to deliver.</p> <p>Criteria: <u>Outputs</u></p> <ul style="list-style-type: none"> • Classified as protection or reinstatement • Would not otherwise be a bus service within that time period. • Meets BSIP frequency and service regularity targets within that time period. • Provides provision at core times of the day. <p><u>Indicators</u></p> <ul style="list-style-type: none"> • Number of communities left without bus service following changes • Patronage levels • Deprivation levels • Population living within 400m • Employment areas served with 400m • Connections to major conurbations and towns • Connections to rural towns and villages • Interchanges to other connecting services and other modes • Public services connected – health, education, etc. |

Next steps including service procurement and delivery.

- 2.26 Subject to endorsement of the strategic principles set out and delegation of funding as proposed, the next steps in development and delivery of the Bus Network Plan are as set out below.
- 2.27 The Combined Authority will work with bus operators to understand the full implications of upcoming service changes and deploy the £3.8m BSIP+ funding to stabilise and protect the existing network as necessary.
- 2.28 Following indicative approval at May's Transport Committee, agree with the Combined Authority Chief Executive in consultation with The Mayor and Transport Committee the specific services that are to be contracted for with the first £3m tranche of BSIP funding for new and enhanced services. These will then be procured, with the aim of them being operational from October onwards.
- 2.29 Work will also commence on developing the business case and securing approval for a second tranche of this funding, with a view to having further new and enhanced services operational from quarter one 2024 onwards. Additionally, further work will be conducted to develop the evidence base and criteria for evolving the bus network, in line with the strategy set out in the BSIP.
- 2.30 Finally, the Combined Authority is now in the process of working with operators First West Yorkshire and Transdev Blazefield to establish three Enhanced Bus Service schemes across Bradford, Leeds, Calderdale and Kirklees (totalling approx. £4.3m over three financial years). Made up of a combination of new routes, improved frequencies and fare offers, the aim of these schemes is to promote bus travel and support these schemes to be commercially sustainable over time. These services are set to be operational from September onwards. Furthermore, the Combined Authority will work with Wakefield Council and local operators to explore an Enhanced Bus Service Scheme for the area, drawing from the remaining £5.8m within this budget.

Delivery of the wider BSIP programme

- 2.31 Alongside development of the Network Plan, work is ongoing to deliver the wider £69m BSIP revenue programme.
- 2.32 Following last month's approval by Transport Committee of a further £11,728,590 to support the delivery of Mayor's Fares until at least March 2024, work is continuing to monitor and evaluate the impact of this scheme on local patronage numbers and customer satisfaction.
- 2.33 The Enhanced Safer Travel Partnership with West Yorkshire Police continues, with recruitment of BSIP-funded Police Community Support Officers

underway. These will be deployed at West Yorkshire Bus Stations from October to support safer travel.

- 2.34 Internal recruitment is also continuing to ensure the Combined Authority has the skills and capacity to enable BSIP delivery. This includes additional posts in the Travel Plan Network team who will liaise and partner with employers to promote bus and other sustainable transport options.
- 2.35 The BSIP strategic vision for better buses in West Yorkshire is also supported by capital investment in bus priority measures and other initiatives via the City Region Sustainable Transport Settlement Programme (CRSTS) and Levelling Up Fund (LUF), amongst others.
- 2.36 An annual update of the BSIP is due for submission to the Department for Transport in October.

3. Tackling the Climate Emergency Implications

- 3.1 There are no climate emergency implications directly arising from this report.
- 3.2 A key aim of the West Yorkshire Bus Service Improvement Plan is to support the decarbonisation of the local bus network, including delivery of a carbon zero bus fleet by 2036, as well as encourage more travel by bus and other sustainable modes in order to tackle the climate emergency.

4. Inclusive Growth Implications

- 4.1 There are no inclusive growth implications directly arising from this report.
- 4.2 The key aims of the West Yorkshire Bus Service Improvement Plan are to create a more inclusive, accessible bus service and to better connect communities, particularly those area of high deprivation, in order to support the region's inclusive growth ambitions.

5. Equality and Diversity Implications

- 5.1 There are no Equality and Diversity Implications directly arising from this report.
- 5.2 Supporting Equality and Diversity through ensuring the bus service is attractive, inclusive and accessible for all is a key aim of the West Yorkshire Bus Service Improvement Plan.
- 5.3 The Mayors Big Bus Chat public engagement prioritised engaging with seldom heard groups and, where possible, obtaining data on protected characteristics from participants, in order to strengthen the insights it provides to support Equality and Diversity within the BSIP.
- 5.4 An Equality Impact Assessment has been completed and will be reviewed regularly throughout the programme's delivery

6. Financial Implications

- 6.1 There report sets out a funding strategy for investment in the local bus network and proposes to delegate spending approval of the £3,875,221 BSIP+ budget to the Director of Transport Operations and Property Services.

7. Legal Implications

- 7.1 There are no legal implications directly arising from this report.

8. Staffing Implications

- 8.1 Further internal capacity will be sought to support delivery of the interventions within the BSIP revenue funding programme and other business-as-usual activity.

9. External Consultees

- 9.1 No external consultations have been undertaken.

10. Recommendations

- 10.1 That the Transport Committee endorses the approach to further developing the Bus Network Plan, including the use of criteria to prioritise Combined-Authority funded interventions in the bus network in order to:
- Continue to provide socially necessary connectivity.
 - Restore, stabilise and protect the network from further cuts
 - Enhance and grow the network
- 10.2 That the Transport Committee approves delegation on the £3,875,221 BSIP+ budget to the Interim Director of Transport Operations and Passenger Experience (Mobility Services and Transformation) in consultation with the partner councils, for the 2023/24 financial year.
- 10.3 That the Transport Committee notes the next steps for delivery of the Bus Network Plan and wider BSIP programme updates.

11. Background Documents

There are no background documents referenced in this report.

12. Appendices

None.