

Report to: Transport Committee

Date: 26 May 2023

Subject: **Bus Service Improvement Plan - Programme Update**

Director: Melanie Corcoran, Director of Transport Policy and Delivery

Author: Rachel Jones, Interim Head of Transport Policy

Is this a key decision?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Is the decision eligible for call-in by Scrutiny?	<input type="checkbox"/> Yes <input checked="" 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 the local bus network, ongoing delivery of the Bus Service Improvement Plan revenue programme and set out the approval of:

- £6,228,434 to deliver Enhanced Bus Services and further network improvements from September 2023 onwards.
- £11,728,590 to continue the delivery of Mayor's Fares up to March 2024.

1.2 The paper does not explicitly cover the recent Department for Transport (DfT) announcement relating to future bus funding, as sufficient information was not available at the time of publication. A verbal update will be provided to committee members.

2. Information

State of the Bus Network and Bus Recovery Grant

2.1 The accompanying Passenger Experience report (Item 9) on this agenda updates the Committee on current issues with bus provision in West Yorkshire. At the time of writing, we are aware of correspondence from DfT regarding future funding that may impact on Mayor's Fares and delivery of our BSIP. Prior to this announcement, bus operators have advised an intention to reduce and withdraw some services in July should funding be withdrawn or reduced.

A verbal update will be given to the committee with further information in this regard.

Bus Service Improvement Plan – Programme Update

- 2.2 The Department for Transport (DfT) funded £69,974,070 Bus Service Improvement Plan (BSIP) revenue programme is the Combined Authority’s main way to responding to current industry challenges and support transformation for bus passengers in the short to medium term. It reflects the ambitions set out the in the [BSIP strategy document](#), which was published in October 2021, and informed the funding bid to Government.
- 2.3 In April 2022, the Combined Authority was notified by the DfT that it had been indicatively awarded £69,974,070 in revenue funding, over three financial years, to support delivery of its BSIP.
- 2.4 In agreeing what the funding should be spent on, the DfT advised that it wanted to see it prioritised towards ‘cheaper and simplified fares’ and ‘increased service frequencies and new routes’; and that the delivery of associated initiatives would need to be agreed with bus operators as part of a ‘BSIP’ Enhanced Partnership (EP) scheme, before the funding would be released to the Combined Authority.
- 2.5 A BSIP funding package, outlined in Table 1, was agreed by the Combined Authority as the basis for its revised spending submission to DfT and development of the corresponding EP scheme. This funding was confirmed by DfT and received by the Combined Authority in November 2022.

Table 1 – BSIP revenue funding programme overview

Funding area	Schemes and interventions	Revenue cost (£m)
Clear and simple fares	<ul style="list-style-type: none"> • Mayors Fares’ subsidy. • Business to customer sales and marketing. • Business to business sales. 	£36,974,070
New and improved services	<ul style="list-style-type: none"> • Evolution and growth of the bus network. • ‘Superbus’ (now referred to as ‘Enhanced Bus Services’). • Service innovation – Demand Responsive Transport and Mobility Hubs. 	£30,950,000
Supporting bus priority and safety	<ul style="list-style-type: none"> • Improvements to coordination of bus, urban traffic and passenger information. • Enhanced Safer Travel Partnership with the WY police. 	£2,050,000
<u>Total revenue cost</u>		£69,974,070

- 2.6 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.
- 2.7 A BSIP programme has since been established to manage delivery of the relevant schemes, with a programme SOC [approved by Transport Committee](#) in November 2022. Further internal capacity within the Combined Authority is required to support the delivery of the schemes and interventions outlined above, with £2,200,000 within the existing programme to be deployed up until the end of 2024/25.

'Enhanced Bus Services' and the Bus Network Plan

- 2.8 In the BSIP, the Combined Authority set out its ambition for delivery of an enhanced, fully inclusive and more cohesive bus network – which takes people where they need to go, when they need to go and caters for the complexity of modern travel patterns and different passengers' need.
- 2.9 To support this, it also committed to the development of a five-year Bus Network Plan, which will include:
- Expansion of the high frequency 'core network' – so more people live near a bus stop where a service arrives at least every 15 minutes.
 - Improvements to the regularity and consistency of less frequent services.
 - Increasing services in the early morning, evenings and at night-time.
 - Increasing services in rural, out-of-town and economically deprived areas.
 - Local 'Enhanced Bus Service' schemes (previously referred to as 'SuperBus' networks) with cheaper fares and priority on the roads.
 - More pilots of demand responsive 'FlexiBus' services.
- 2.10 The Mayor's Big Bus Chat public engagement, conducted in summer 2022, found that only a quarter of bus users agreed that their local bus services are frequent enough to be convenient for travel. It also identified that the public's priority areas for investment included improving the frequency of existing daytime services, protecting current services at risk of being withdrawn and more evening services.
- 2.11 Transport Committee have been kept updated on development of the network plan throughout the last year, which has included background analysis of current network provision and development of a long list of suggestions for network improvements which has been analysed against the strategic principles set out in the BSIP, and discussed with partner councils.

- 2.12 A Strategic Outline Case has been submitted to the Combined Authority seeking approval to spend £6,228,434 from the overall £30,950,000 of BSIP revenue funds assigned to 'new and improved service' to deliver the first tranches of the Bus Network Plan, bringing the total amount of money approved from this pot to £7,988,434 to date.
- 2.13 This includes the delivery of the first 'Enhanced Bus Services' (previously known as 'Superbus'), a term which describes schemes where investment of public funds are used to improve local bus services through a combination of improvements. These improvements will be delivered initially with local bus operators, First West Yorkshire and Transdev Blazefield, through the West Yorkshire Bus Enhanced Partnership at a total cost to the Combined Authority of £4,228,434 over three years.
- 2.14 These Enhanced Bus Services will combine improved service frequencies and fare incentives to encourage passengers to travel more frequently by bus. The Combined Authority will fund them at a reducing rate for the first three years, with operators agreeing to take commercial risk in years four and five, with the aim of making them financially sustainable in the longer term. Table 2 sets out the detail and cost of these schemes, which are intended to be operational from September 2023 onwards.

Table 2 – Enhanced Bus Service schemes

District	Operator	Bus service enhancement	Total cost
Bradford	Transdev	Keighley - K3 10min; K7 12min; £1 Keighley Zone flat fare	£1,475,944
Leeds / Bradford	Transdev	Aireline - Shipley to Leeds frequency increased to 20 mins. Option to route some journeys through Wrose/Idle	£1,282,963
Calderdale/ Kirklees	First West Yorkshire	Halifax- Huddersfield- new express service X3. 501/503 every 7/8 mins New connections to Elland station and between hospitals New 538 service Halifax- Elland (station)- Brighouse	£1,469,527
Total cost:			£4,228,434

- 2.15 Approval is also sought to invest a further £3,000,000 in tendering new and enhanced services across the region as the first tranche of deliverables from the remaining funding available to invest over the coming years. The exact routes and services to be funded from this tranche are still to be determined, with a recommendation that final approval of the funding be delegated to the Combined Authority Chief Executive in consultation with The Mayor and Transport Committee Chair, subject to confirmation of these. A focus of these investments will be quick wins and early priorities.

- 2.16 Further phased tranches of new and enhanced services (up to a total additional value of £22,950,000) will be brought forward for funding approval in due course, following development of further business cases, to support and be responsive to the bus network's changing needs.
- 2.17 This funding approval request and the corresponding Programme Appraisal Team (PAT) report is covered in more detail in Item 11.

'Mayor's Fares'

- 2.18 Mayor's Fares' was the first main deliverable of the BSIP programme. Launched in September 2022, it has capped all single tickets at £2 and the MCard Day Saver ticket at £4.50. The scheme aimed to deliver the BSIP ambition for 'clear and simple fares' which make paying for bus travel more affordable, easier, convenient and flexible. It was envisioned the initiative would encourage more people to travel by bus more frequently, as well as ease cost-of-living pressures for existing passengers. As of May 2023, the scheme has cost approximately £1,243,000 per month, to a total of £11,185,222.
- 2.19 As reported to Transport Committee on 10 February 2023, between September 2022 and December 2022, 7.2 million customer journeys were made using the Mayor's Fares - approaching half a million passenger journeys each week. In addition, passengers had saved a total of £3.6m compared to what they would have been paying without the initiative - on average each passenger was saving 20%. The data also suggested growth in patronage in the final quarter of 2022 as well as changes to commuting patterns.
- 2.20 As of April 2023, weekday bus patronage in West Yorkshire was 85% of pre-pandemic levels. The ongoing impact of Year 1 of Mayor's Fares on patronage and customer satisfaction is still being determined. This will inform the price of the fare cap and operator repayment mechanism for years 2 and 3 of the scheme. Therefore, a submission of a Full Business Case to secure approval for the total scheme allocation of £33,974,070 is planned for submission late 2023.
- 2.21 To keep the scheme ongoing until that time, a change request has been submitted for £11,728,590 to keep the scheme live until at least March 2024.
- 2.22 This funding approval request and the corresponding appraisal summary is covered in more detail in Item 11.

The Bus Reform Assessment

- 2.23 To respond to the challenges facing the local bus system and support delivery of the full ambitions of the BSIP in the longer term, the Combined Authority is also conducting a Bus Reform Assessment (the 'Assessment'). This will assess the different options for governance of the local bus system, including

the existing Enhanced Partnership, an Enhanced Partnership 'plus' and Franchising.

- 2.24 At the Combined Authority meeting on Thursday May 25th, committee members will be asked to approve the progression of the Assessment for Audit, in accordance with the statutory requirements set out under Transport Act 2000 (as amended by the Bus Services Act 2017).
- 2.25 The Assessment concludes that Franchising is the preferred option for the Combined Authority to progress with subject to both the audit and the outcome of the statutory consultation, which will inform a report and recommendation to The Mayor.
- 2.26 It is also proposed to continue engaging with local bus operators to understand in more detail what more may be achievable under the Enhanced Partnership, which can be considered as part of the final Mayoral decision.
- 2.27 A verbal update will be given to Transport Committee on the decision made by Combined Authority members following this meeting.

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 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 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.
- 5.2 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.
- 5.3 An Equality Impact Assessment has been completed and will be reviewed regularly throughout the programme's delivery.

6. Financial Implications

- 6.1 Funding approval requests in relation to Enhanced Bus Services, the Bus Network Plan and Mayors Fares, addressed through Item 11, will support delivery of Tranche 1 of the Bus Network Plan and continuation of the Mayors Fares scheme.

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.

9. External Consultees

- 9.1 No external consultations have been undertaken.

10. Recommendations

- 10.1 The Transport committee notes the BSIP programme update and funding approval request (covered as part of Item 11).

11. Background Documents

- 11.1 There are no background documents referenced in this report.

12. Appendices

None.