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Built Environment Committee

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Public transport in towns and cities

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See Appendix 1.

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Q in footnotes refers to a question in oral evidence.

SUMMARY

Many urban areas in England, outside of London, have missed out on the benefits gained from access to regular, reliable and high-quality public transport services. To remedy this, the Government has committed to narrowing the gap and bringing public transport services across England up to London standards. However, the country is in a period of severe budgetary uncertainty, with cuts to public spending, the abandonment of the proposed Transport Bill, uncertainty about passenger numbers in the wake of the pandemic, and competing demands for investment. Whilst it may not form the new administration's first priority, neglecting issues such as bus services and wasteful bidding processes would have adverse consequences for passengers and public finances.

In our report, we call on the Government to address the factors inhibiting the delivery of high-quality public transport services. These include: cuts to bus services; wasteful competitive bidding processes; services not designed around passenger needs; and insufficiently joined-up transport and spatial planning. We also explore the role technology can play in enhancing connectivity across and within modes; how ticketing should be reformed; and how local governments can be supported to deliver better services across differing geographical regions.

Planned bus service cuts

Nearly two thirds of all journeys on public transport are by bus. The upcoming end of pandemic support funding in March 2023, with forecast cuts of up to 20%, could have a detrimental effect on those who rely on buses and risk a downward spiral of reducing demand. Such cuts risk hitting the areas most in need of economic development the hardest: we heard that the poorest 20% of households make three times as many trips by bus as the richest 20% of households. The Government should indicate a timetable for decision making on bus funding and ensure that the provision of a good standard of bus services is maintained. Decisions on funding beyond next March are now urgently needed so that the appropriate service planning can be implemented.

Bidding processes

The process of local authorities bidding for competitive central government capital funding is costly, resource intensive and inefficient. It favours larger local authorities with a track record of winning. Smaller authorities, particularly those outside a Mayoral Combined Authority, can lack the resources to produce a successful bid. The appraisal process is often poorly communicated to unsuccessful authorities, leading to repeated failures. The Government should examine the feasibility of transferring to a system of periodic block grants, which could encourage more coherent and long-term transport delivery with spending priorities determined locally by those with local knowledge.

Enhanced partnerships *versus* franchising

The National Bus Strategy set in motion a requirement for local transport authorities to adopt either an enhanced partnership or a plan to establish a franchising scheme. Of the 79 local transport authorities, three opted to introduce a franchising model. Local and central government should monitor the effectiveness of both systems and review value for money in each case.

User priorities

Post-pandemic public transport demand remains unpredictable, with indications of a permanent reduction in peak commuter traffic. Many more people are travelling for leisure, at weekends and throughout the day. Regardless of the pattern of demand, user needs should be at the centre of policymaking. Transport service providers must prioritise making public transport an attractive option and meeting users' preferences for convenience, reliability, punctuality, fares, safety and frequency. Ensuring that stations and interchanges are safe and well-lit should be a priority.

Aligning transport planning with local planning

Given the competing demands and timelines facing local authorities, spatial and transport planning have been insufficiently integrated, with new homes built in places without access to public transport. To help integrate transport planning, the Government should formally link the production of Local Transport Plans with Local Plans.

SUMMARY OF CONCLUSIONS AND RECOMMENDATIONS

1. The COVID-19 pandemic had a significant impact on public transport. We began this study in the wake of the pandemic, at a time when demand for public transport was steadily recovering. We chose to focus our inquiry on English towns and cities outside of London. Our objective was to examine the role of public transport, developments in demand and technology and the prospects for improvement, as well as public transport's interaction with other modes of transport. (Paragraph 6)

Users

2. Regular commuting at peak times Monday to Friday on public transport has reduced, as has the number of trips made for business travel. Leisure trips at weekends and in the evenings have increased and, in some areas, exceed pre-pandemic levels. Depending on the local context, providing capacity to meet peak demand levels will continue to be important, alongside meeting demand spread throughout the day. (Paragraph 12)
3. Public transport investment and objectives should focus on the factors which are most important to users: convenience, reliability, fares, punctuality, safety and frequency. (Paragraph 32)
4. Improving the safety of stations, stops and interchanges by ensuring that they are clean and well-lit should be a priority for operators and local and national government. The fear of abuse and harassment can deter women in particular from using public transport. (Paragraph 33)
5. Mobility hubs provide shared, private and public transport options in one location and enhance connectivity across modes. Local authorities should consider incentivising bus operators to deliver mobility hubs at bus stations through Enhanced Partnerships or franchising schemes. (Paragraph 41)
6. It is a matter of real concern that in some large cities, passengers are not able to access coordinated timetable information on bus services provided by different operators. It would be beneficial for local authorities and operators to enable passengers to access a coordinated timetable to plan their journeys. (Paragraph 46)

Connectivity

7. Demand-responsive transport (DRT) is a form of shared public transport where vehicles alter their routes based on users' needs without a fixed route or timetable, similar to a 'dial a ride' service. Evidence from recent trials of DRT—including in Oxford and the 'fflecsi' programme in Wales—will enable the Government to assess whether similar services could be beneficial in some suburban areas. (Paragraph 54)
8. Sharing operational data on public transport services can help to plan and deliver a better service for users. However, data provision is patchy in different regions and real-time service updates are not always available, as operators are not obliged to share data they hold. In some cases, real-time service performance data is not collected at all. Whilst recognising competitive constraints, improvements to data sharing could benefit passengers, by providing more accurate live information, and operators, by growing demand and enabling them to plan and deliver services more efficiently. (Paragraph 66)

Ticketing

9. A multimodal, multi-operator zonal ticketing system in each large town or city—where fares are set depending on the zones a passenger moves through—would make it considerably easier to deliver contactless ticketing. This would increase the attractiveness of public transport to passengers. The Government should provide an evaluation of the costs and benefits of implementing a multimodal zonal ticketing system for large towns and cities in England. (Paragraph 80)
10. The option to pay by cash will need to remain available in the foreseeable future. As contactless payment becomes more widespread, operators should ensure that buses, trams, trains, taxis and other modes continue to provide a way for cash users to purchase tickets. (Paragraph 82)
11. The Government must publish its proposed review of the benefits and costs of providing concessionary travel to different user groups, which is overdue. The review should consider where concessionary fares could best be targeted to maximise societal benefits. (Paragraph 86)

Local government and planning

12. We heard evidence that the Government's ambition for 'London-style' public transport throughout England would be difficult to achieve under the current deregulated environment. Initiatives such as enhanced partnerships are a step in the right direction as they provide an opportunity for operators and local authorities to collaborate to improve services. Local and central government should monitor their effectiveness. (Paragraph 104)
13. Some areas may seek to move towards a franchise system, where the local authority specifies the bus services to be provided, determines the routes, timetables and fares and operators deliver these following a competitive tendering process. As with enhanced partnerships, the Government should keep under review the value for money and effectiveness of bus franchising. (Paragraph 105)
14. Effective integration of land use and transport planning will be key to ensuring that new developments encourage public transport use. In some cases, this may involve increasing housing density or building around existing public transport links. (Paragraph 115)
15. Given competing demands and timeframes faced by local authorities, spatial and transport planning can be disjointed. To help integrate transport planning, the Government should formally link the production of Local Transport Plans with Local Plans. (Paragraph 116)
16. We reiterate our recommendation in our previous report, *Meeting housing demand*, that any system to replace Section 106 agreements and the Community Infrastructure Levy should ensure that the resources raised are spent on delivering affordable homes or necessary infrastructure early in the development and are tied to identified needs. We are concerned that the new Infrastructure Levy could have some of the same disadvantages as the Community Infrastructure Levy. (Paragraph 118)
17. The inquiry reports a consensus among experts and policymakers that a reduction in trips by private car of the order of 30% is needed to help meet net zero targets. However, there are various contributing sets of evidence that

point to different conclusions and, as yet, there is no target recommended by Government. The Government's policy of promoting the use of electric cars will help work towards net zero, although electric cars would still contribute to congestion and pollution from tyres and brakes. (Paragraph 131)

18. While the Government does not have an official, national target for a reduction in car journeys, some local authorities have adopted local targets for their areas. The Government should provide a clear statement of its policy on journeys made by car, as it has for active travel, bus and rail journeys. (Paragraph 132)
19. An uncoordinated approach to public transport policymaking in Whitehall has left local areas with often irreconcilable targets—for example on allocating road space to bicycles and buses. This can be a drain on resources in local transport authorities, an inefficient use of road space, and can cause delays and congestion. (Paragraph 138)

Funding and appraisal

20. While light rail schemes appear to be more effective at generating modal shift from the car than bus-based schemes, their high costs mean that they are unaffordable in many areas. If effective, the very light rail system under development in Coventry has the potential to overcome this disadvantage. The Government should monitor the trials of this pilot system to assess its effectiveness in achieving the advantages of light rail with reduced capital outlays, with a view to providing further support. (Paragraph 147)
21. In some cases, bus rapid transit schemes can provide the benefits of reliability and priority of a light rail system at a lower cost and with more flexibility. The Government should undertake robust post-project evaluation of bus rapid transit schemes to assess the extent to which they provide comparable levels of service to light rail, with a view to providing further support. (Paragraph 152)
22. We welcome the Government's commitment in the Levelling Up White Paper to developing local public transport across the country to bring it "significantly closer to the standards of London". We are concerned, however, by the disparity in levels of funding between local transport in London and other major conurbations. The Government has recently committed to a number of new funding streams for public transport. After the Chancellor's autumn statement on 17 November, we intend to revisit this issue to examine current and future spending on public transport at a regional level and consider the inequalities. We will write to the Government setting out our recommendations on this matter before the end of the year. (Paragraph 158)
23. The end of the emergency pandemic funding for bus services could lead to reductions in bus services of around 20% from March 2023. This would have a detrimental effect on users, and risks hitting the areas most in need of further economic development hardest. The Government must take action to ensure that the provision of a good standard of bus services is maintained: there is a risk that cutting services could lead to a downward spiral of steadily reducing demand. (Paragraph 165)
24. The system of competitive bidding for transport funding can be a drain on limited resources and there is evidence that it favours larger authorities with more skills and expertise. We also heard that the need to bid repeatedly for

separate pots of funding inhibits long-term, strategic transport planning. The Government should examine the feasibility of transferring to a system of periodic block grants. Wherever bidding processes remain in place, they should be simplified to reduce the burden on local authority resources. (Paragraph 183)

25. After asking local transport authorities to be 'ambitious' in their Bus Service Improvement Plans, the Government provided £1.2 billion of funding. This is less than half the £3 billion local authorities were expecting, with £419 million of the original funding diverted to maintaining bus services during the pandemic. It is difficult to see how local transport authorities and operators will be able to meet the ambitions and objectives of the National Bus Strategy within these funding constraints. (Paragraph 184)
26. Central government communication of the appraisal process, including to local transport authorities, must be improved. The Government should routinely be providing unsuccessful regions with feedback on their applications and providing support to areas which are struggling to secure funding. This should give stakeholders more confidence that the results of this process are justified. (Paragraph 190)
27. The Government should require comprehensive, proportionate evaluation of all transport schemes funded with public money above a certain cost threshold to be undertaken and published. (Paragraph 194)

Public transport in towns and cities

CHAPTER 1: INTRODUCTION

1. Public transport plays a vital role in urban environments—enabling people to access work, education and leisure activities. In addition, it has a broader role in supporting the economy, health and society, a contribution recognised by Baroness Vere of Norbiton, the Parliamentary Under-Secretary of State for Transport, Department for Transport (‘the Minister’): “Public transport ... underpins pretty much every other ambition that any local area will have for employment and getting people to local public services.”¹
2. Transport can be the “maker and breaker of cities”.² We heard that London demonstrates how a cohesive public transport system can deliver a flourishing economy. However, many British towns and cities outside London have inadequate local transport infrastructure. The Mayor of Greater Manchester, Andy Burnham, advised: “the poor quality of transport outside London is a big factor in productivity in the English regions.”³ The Centre for Cities said: “Poor public transport accessibility in big cities diminishes the agglomeration benefits, and, by extension, their productivity and economic performance.”⁴ While similar service levels to London might not be appropriate in more suburban areas, certain denser geographical areas could benefit from adopting some of London’s best practices. In this report, we examine how a thriving network of urban public transport in towns and cities can be supported.
3. The COVID-19 pandemic has had a dramatic impact on public transport usership and income. With the drop in ridership since March 2020, the Government provided significant financial support to keep services running. Patronage has recovered to varied degrees, but the ways in which people travel have changed.
4. In this report, we evaluate usage trends and the pandemic’s impact on commuter and leisure travel as well as user preferences and transport patterns across various demographics (Chapter 2). We consider the importance of connectivity, including physical infrastructure and digital connectivity (Chapter 3). Building on our short inquiry on rail ticketing reform,⁵ we discuss improvements to ticketing (Chapter 4). Our report makes recommendations on the role of local government and planning (Chapter 5) and we consider how funding and appraisal processes for public transport should be improved (Chapter 6). Throughout the report we raise examples of good practice abroad where lessons may be learned. Our report focuses on

1 [Q 154](#) (Baroness Vere of Norbiton)

2 Written evidence from Alan Wenban-Smith ([TTS0041](#)). Original quotation Colin Clark, ‘Transport—Maker and Breaker of Cities’, *The Town Planning Review*, vol. 28, No.4. (1958): <https://www.jstor.org/stable/40101624> [accessed 11 August 2022]

3 [Q 122](#) (Andy Burnham)

4 Written evidence from Centre for Cities ([TTS0026](#))

5 Letter from Chair of the Built Environment Committee, to Chris Heaton-Harris MP, Minister of State at the Department for Transport (DfT), ‘Rail fare reform’ (5 November 2021): <https://committees.parliament.uk/publications/7756/documents/80776/default/>

England, as transport policy in other parts of the UK is devolved. However, we do include examples from across the UK.

5. Whilst we recognise the importance of public transport for rural areas, we limited our inquiry to urban public transport outside London. We have not sought to conduct a wholesale review of private transport, including active travel, micromobility and roads. To avoid duplication with the work of other Select Committees, we have not explored the relationship to climate change and decarbonisation in depth. Finally, we have largely focused on the challenges facing urban areas outside London, while learning from London's public transport system.

Box 1: Summary of recommendations by transport mode

To summarise our key recommendations by public transport mode:

Bus: Bus services are vital for many people for commuting, travel to school, and leisure. However, bus services outside London are often unreliable and expensive, and recent cuts to funding could lead to a 'downward spiral' of fewer services and fewer users. Bus services need more attention from policymakers, longer-term funding settlements, and better coordination among operators.

Light rail: Light rail can be effective in attracting users who might not otherwise travel by public transport. However, it can be costly and building new light rail infrastructure can be disruptive. An experimental Very Light Rail scheme with much reduced installation and maintenance costs is under development in the West Midlands. Robust evaluation will be necessary to assess the effectiveness of the scheme.

Train: In areas which have urban train networks, post-pandemic demand is spread across the day and is greater at weekends and for leisure purposes, while peak commuter traffic is reduced. Depending on the local context, providing peak capacity to meet demand levels on rail will continue to be important.

6. **The COVID-19 pandemic had a significant impact on public transport. We began this study in the wake of the pandemic, at a time when demand for public transport was steadily recovering. We chose to focus our inquiry on English towns and cities outside of London. Our objective was to examine the role of public transport, developments in demand and technology and the prospects for improvement, as well as public transport's interaction with other modes of transport.**

CHAPTER 2: USERS

Usage trends

7. Public transport has seen a significant recovery in ridership since the height of the COVID-19 pandemic. In September 2022, bus patronage across England outside London was between 72% and 88% of pre-pandemic levels.⁶ In the same month, the railways saw ridership reach between 74% and 91% of pre-pandemic levels.⁷ Light rail patronage was more variable across different regions, with areas seeing between 56% and 94% of pre-COVID-19 demand in April 2022.⁸ Car usage was between 91% and 105% of pre-pandemic levels.⁹
8. Buses are the dominant mode of public transport for journeys in urban areas in England, representing nearly two thirds of all public transport journeys.¹⁰ Most public transport journeys between urban areas are by train. Even before the pandemic, bus ridership outside London had seen a long-term decline in most areas, whereas rail usage was increasing. In 2018, local bus usage in Great Britain had fallen by 62% compared with 1960, whereas rail usage had increased by 170%.¹¹ Since 1990 and prior to the pandemic, light rail patronage saw a long-term upward trend.¹² Travel by private car, van and taxi has formed the majority of passenger trips since the 1960s, comprising 83% of passenger kilometres in Great Britain in 2018.¹³

Travel to work

9. Prior to the pandemic, most commuter trips were made by car. In 2019, 68% of trips to work were by car; 11% were by rail; 9% were walked; and 7% were by bus.¹⁴ In 2020–21 the number of public transport trips overall in Great Britain fell by 68% in the compared with the previous year.¹⁵
10. Post-pandemic shifts in commuting practices affect rail more than bus. Professor Peter White, Emeritus Professor of Public Transport Systems, University of Westminster, said: “About half of all rail trips are journeys to work, compared with only 20% or so of bus trips ... rail commuters tend to be more affluent, office-based commuters who can more regularly substitute teleworking at home for travel to the office”.¹⁶ Shifts in commuting patterns

6 These figures exclude Sundays, where bus ridership is traditionally much higher, and the three days comprising the preceding day, actual day and subsequent day of the Queen’s State Funeral. DfT, ‘Official Statistics: Transport use during the coronavirus (COVID-19) pandemic’, 3 June 2020: <https://www.gov.uk/government/statistics/transport-use-during-the-coronavirus-covid-19-pandemic> [accessed 11 August 2022]

7 *Ibid.*

8 Written evidence from Urban Transport Group (TTS0016)

9 DfT, ‘Official Statistics: Transport use during the coronavirus (COVID-19) pandemic’, 3 June 2020: <https://www.gov.uk/government/statistics/transport-use-during-the-coronavirus-covid-19-pandemic> [accessed 11 August 2022]

10 Written evidence from Go-Ahead (TTS0010)

11 DfT, *Transport Statistics Great Britain 2019*, 2019: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/870647/tsgb-2019.pdf [accessed 10 October 2022]

12 Written evidence from the DfT (TTS0028)

13 DfT, *Transport Statistics Great Britain 2019*

14 DfT, *Transport Statistics Great Britain*, 17 December 2020: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/945829/tsgb-2020.pdf [accessed 11 August 2022] NB: 4% of trips were ‘other’.

15 DfT, *Transport Statistics Great Britain: 2021*, 16 December 2021: <https://www.gov.uk/government/statistics/transport-statistics-great-britain-2021/transport-statistics-great-britain-2021> [accessed 11 August 2022]

16 Q 64 (Professor Peter White)

are not solely the result of the pandemic. An average of 323 commuter trips were taken per year by those in full-time employment in England in 2019, compared with 379 in 2002 (a reduction of 15%), reflecting a trend towards hybrid working.¹⁷ The Transport Planning Society cautioned that “demand is too complicated an issue to focus solely on the aggregate picture”, adding that there has been “an influx of commuting on Tuesday, Wednesday and Thursday for hybrid workers who find these the most attractive days to be in the office.”¹⁸ They said “the demand for public transport is likely to now be greater in the (traditional) inter peak period”.¹⁹ Transport for London were “seeing longer, flatter peaks”.²⁰

11. Transport for London emphasised the value of agility when planning to meet transport demand:

“The financial sustainability of public transport in towns and cities will be heavily influenced by the recovery of passenger demand, and therefore revenue, following the pandemic. This cannot be predicted with certainty ... In the face of this uncertainty, Government and the industry have important roles to make public transport, walking and cycling the modes of choice in towns and cities and not to overreact to short-term lower demand.”²¹

12. **Regular commuting at peak times Monday to Friday on public transport has reduced, as has the number of trips made for business travel. Leisure trips at weekends and in the evenings have increased and, in some areas, exceed pre-pandemic levels. Depending on the local context, providing capacity to meet peak demand levels will continue to be important, alongside meeting demand spread throughout the day.**

Travel for leisure

13. In 2019, leisure accounted for 26% of all trips by public transport in England, compared with 18% for commuting or business purposes.²² In contrast to commuting, the number of journeys for leisure in 2022—mostly made at weekends and in evenings—is close to, and often exceeds, pre-pandemic levels.
14. This increase in leisure travel may require services and pricing structures to adapt. Transport Focus suggested that a “more seamless, 24/7 environment may blur the distinction between weekdays and weekends and require services later into the evening”.²³ Some operators have introduced fare initiatives to

17 Written evidence from Dr Kiron Chatterjee to the House of Commons Transport Select Committee on Reforming public transport after the pandemic inquiry, 12 February 2021 ([REF0102](#))

18 Written evidence from the Transport Planning Society ([TTS0057](#))

19 *Ibid.*, they describe the inter-peak period as 10:00–16:00.

20 Written evidence from Go-Ahead ([TTS0010](#)) and Transport for London ([TTS0060](#))

21 Written evidence from Transport for London ([TTS0060](#))

22 DfT, *Transport Statistics Great Britain 2020*, 17 December 2020: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/945829/tsgb-2020.pdf [accessed 11 August 2022]. The other categories included for education, shopping, escorting others and personal business.

23 Written evidence from Transport Focus ([TTS0062](#))

stimulate leisure travel, for example £1 travel after 7pm on the Transdev bus in Yorkshire and Lancashire.²⁴

User preferences

15. We heard of the importance of placing what users value at the centre of public transport decision making: convenience, reliability, fares, frequency, safety and punctuality.²⁵
16. Transport Focus, the independent consumer watchdog for public transport, told us: “The overriding need is ... for a good ‘core product’ of punctuality, frequency ... going to more places and better value for money”.²⁶

Reliability

17. Transport for London cited reliability as “the key driver for customer satisfaction, especially for infrequent routes where the customer impact is even greater”.²⁷ They recommended a “focus on delivering the basics—i.e., reliability, punctuality—brilliantly and consistently.” In our visit to Nottingham, we heard that passenger research shows a journey only needs to go wrong twice for users to choose switch mode.²⁸ Transport for London also identified crowding as a user priority, describing it as “a persistent ‘pain point’ that is frequently exacerbated by reliability and frequency levels, but more recently is being re-prioritised as a key factor in the decision to travel”.²⁹
18. Sustrans underlined the importance of convenience:

“Individuals are more likely to see public transport as a viable, convenient option if they live within a short walk ... of a station or stop, the waiting times at the nearest stations or stops are short, and multiple services that serve a variety of locations pass the nearest stations or stops”.³⁰

‘Turn up and go’

19. We heard that passengers particularly value a ‘turn up and go’ service, where services arrive within ten minutes or less.³¹ Graham Vidler, CEO of the Confederation of Passenger Transport UK, emphasised that on key corridors, bus users must be “confident” that “they can turn up and there will be a bus within a reasonable amount of time to take them to their destination.”³² The Government’s National Bus Strategy said: “Turn up and go services, where passengers don’t need a timetable, should be provided on major urban routes.”³³ While ‘turn up and go’ frequencies are suitable for larger urban centres with dense populations, services at less frequent intervals may suit more suburban areas.

24 Q 3 (Stephen Joseph) and Transdev, ‘Transdev in the UK says come back to bus with us and save’, 17 June 2021: <https://www.transdev.com/en/modes-of-transport/transdev-uk-come-back-bus/> [accessed 31 October 2022]

25 Witnesses including Transport Focus (TTS0062) and Stephen Joseph OBE (QQ 1–10). See also Appendix 5.

26 Written evidence from Transport Focus (TTS0062)

27 Written evidence from Transport for London (TTS0060)

28 Appendix 5

29 Written evidence from Transport for London (TTS0060)

30 Written evidence from Sustrans (TTS0014)

31 Written evidence from Railfuture (TTS0022) and UKTram (TTS0030)

32 Q 14 (Graham Vidler)

33 DfT, *Bus Back Better: National Bus Strategy for England* (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 [accessed 16 August 2022]

20. We heard that the length of journey time relative to that by private transport is key for public transport to be a viable option. Professor Michael Waterson, Emeritus Professor at the University of Warwick, told us: “Many journeys by car and commercial vehicle are very time-sensitive, either because of personal pressures or pressures coming from employers”.³⁴

Fares

21. Fares serve both to raise revenue and to shape demand. Transport for London’s approach to fares attracts passengers to the system through a sense of fairness that benefits the frequent traveller. In evidence to our earlier inquiry on rail fares reform, Shashi Verma, Director of Strategy and Chief Technology Officer, Transport for London, described Transport for London’s approach:

“When we started Oyster, we had something called the best-value promise. That really meant that all you do is touch in and touch out, and we guarantee that we will give you the cheapest fare on the entire system. You do not need to do anything else. Having a vision of that kind is what is required to re-establish faith in the fares and ticketing system”.³⁵

22. We heard that keeping fares at a reasonable level is a key priority. Nottingham City Transport felt that offering value for money with fares that are easy to understand is key.³⁶

Government commitments

23. In September, after we had concluded our evidence collection, the then Transport Secretary announced a nationwide cap on bus travel of £2 per single adult journey for between January and March 2023, which will cost an estimated £60 million. The Minister explained the motivation behind the cap, stating that “the pressure of rising costs this winter” had led the Government to seek “to provide practical concrete help that will lower daily expenditure”.³⁷ The average single fare outside London is estimated to be £2.80, so the cap represents a 30% saving.³⁸

Safety

24. Concerns were raised about safety in and around bus and rail infrastructure.³⁹ Professor Peter White said that users would benefit from “better street lighting and direct pathways” and suggested that safe crossing points near bus stops would appeal to passengers. The Women’s Budget Group said “longer wait times for transport services in emptier train stations and bus stops” can make women feel unsafe, suggesting an interaction between service frequency and feeling secure.⁴⁰ Transport Focus recommended “good lighting, CCTV,

34 Written evidence from Professor Michael Waterson ([TTS0013](#))

35 Oral evidence taken before the Built Environment Committee, inquiry on Williams-Shapps Plan for Rail: fare reform, 7 September 2021 (Session 2021–22), [Q 14](#) (Shashi Verma)

36 See Appendix 4.

37 DfT, ‘£2 bus fare cap across England to save passengers money’, 3 September 2022: <https://www.gov.uk/government/news/2-bus-fare-cap-across-england-to-save-passengers-money> [accessed 12 October 2022]

38 *Ibid.*

39 [Q 70](#) (Peter White)

40 Written evidence from the UK Women’s Budget Group ([TTS0019](#))

clear sightlines, help points and a well-maintained environment” to reassure passengers they are safe.⁴¹

User demographics

25. A common theme in our evidence was the diverse needs of users. Professor Greg Marsden from the Institute for Transport Studies, University of Leeds, highlighted the challenge this poses: “The hardest thing about transport is that there are so many different reasons why people are travelling, and we are providing our services to a very diverse set of needs.”⁴² In focusing on passengers, Professor Kiron Chatterjee, Professor of Travel Behaviour at UWE Bristol, offered a different perspective: “It is tempting to think of there being a fixed group of the population who are bus users and fixed groups of car users, rail users and cyclists. In reality the majority of people use a blend of transport options”.⁴³
26. The Department for Transport reported that adults aged 17 to 39 made more trips on public transport than older adults or children, with those aged between 17 and 29 having proportionally higher bus use compared with other age groups.⁴⁴ Younger people have lower levels of car ownership and driving licenses: 35% of young people aged between 17 and 20 in 2019 held a full driving licence, compared with 48% in 1994.⁴⁵
27. Driving remains the most popular mode for older people. Sixty-eight per cent of households with someone aged over 70 own a car,⁴⁶ and older people drive more than previous cohorts of older people, a trend which is expected to continue.⁴⁷ By 2050, the Office for National Statistics projects that one in four people in the UK will be aged 65 or over, an increase from approximately one in five in 2019.⁴⁸ The ageing population “will have an impact on the design and accessibility of [transport] services”.⁴⁹
28. Women tend to make more frequent, shorter, off-peak, multi-purpose journeys by public transport than men.⁵⁰ Women made over a third more journeys by bus than men in England in 2018.⁵¹ We received evidence from the UK Women’s Budget Group that underlined the role of public transport in supporting many women’s day-to-day activities:

“The gendered division of household labour and caring responsibilities results in women making more encumbered care-related journeys that may require multiple stops. This makes certain transport modes (e.g.

41 Written evidence from Transport Focus (TTS0062)

42 Q 9 (Professor Greg Marsden)

43 Written evidence from Dr Kiron Chatterjee to the House of Commons Transport Select Committee on Reforming public transport after the pandemic inquiry, 12 February 2021 (REF0102)

44 Written evidence from the DfT (TTS0028)

45 Written evidence for the Transport Select Committee on Reforming public transport after the pandemic inquiry, 12 February 2021, from Dr Kiron Chatterjee (REF0102)

46 Age UK, *The Future of Transport in an Ageing Society* (June 2015): https://www.ageuk.org.uk/globalassets/age-uk/documents/reports-and-publications/reports-and-briefings/active-communities/rb_june15_the_future_of_transport_in_an_ageing_society.pdf [accessed 11 August 2022]

47 Written evidence for the Transport Select Committee on Reforming public transport after the pandemic inquiry, 12 February 2021, from Dr Kiron Chatterjee (REF0102)

48 Office for National Statistics, *Overview of the UK population: January 2021* (14 January 2021): <https://www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/populationestimates/%20articles/overviewoftheukpopulation/january2021> [accessed 11 August 2022]

49 Written evidence from Transport Focus (TTS0062)

50 Written evidence from the UK Women’s Budget Group (TTS0019)

51 *Ibid.*

cycling, walking or car sharing) unviable and underscores the need for accessible public spaces and transport systems”.⁵²

29. The fear of abuse and harassment can deter women from using public transport. A recent report by London TravelWatch, the official transport watchdog for London, found that nearly one in four women had experienced unwanted sexual behaviour in the last three years on London’s public transport.⁵³
30. In England, 55% of households in the lowest income quintiles have access to a car, compared with 86% of households in the top income quintiles.⁵⁴ On the relationship between income and transport modes, Professor Greg Marsden said: “The poorest 20% of households make three times as many trips on bus as the richest 20% of households, but on rail it is completely flipped”.⁵⁵ The Urban Transport Group warned that the “ongoing cost of living crisis may ... affect demand for more ‘discretionary’ trips that would have involved bus travel”, adding that bus use is higher “in those regions targeted as most in need of ‘levelling up’—the North East, Yorkshire and the Humber and the North West”.⁵⁶
31. The data indicate that people from ethnic minority groups are less likely to travel by car.⁵⁷ Sustrans informed us that “the percentage of journeys to work by bus for black people (24%) is almost twice as much as any other ethnic minority group (12–14%) and four times as much as for white people (6%)”.⁵⁸
32. **Public transport investment and objectives should focus on the factors which are most important to users: convenience, reliability, fares, punctuality, safety and frequency.**
33. **Improving the safety of stations, stops and interchanges by ensuring that they are clean and well-lit should be a priority for operators and local and national government. The fear of abuse and harassment can deter women in particular from using public transport.**

52 *Ibid.*

53 London TravelWatch, *Personal Security on London’s Transport Network*, January 2022: <https://londontravelwatch.s3.eu-west-1.amazonaws.com/wp-content/uploads/2022/01/27100553/Personal-security-on-Londons-Transport-network.pdf> [accessed 11 August 2022]

54 Written evidence from the UK Women’s Budget Group (TTS0019)

55 Q 2 (Professor Greg Marsden)

56 Written evidence from Urban Transport Group (TTS0016)

57 HM Government, National Travel Survey, ‘Number of trips by ethnicity and mode of transport’, January 2015 to December 2019 (16 December 2020): <https://www.ethnicity-facts-figures.service.gov.uk/culture-and-community/transport/travel-by-distance-trips-type-of-transport-and-purpose/latest#number-of-trips-by-ethnicity-and-mode-of-transport> [accessed 11 August 2022]

58 Written evidence from Sustrans (TTS0014)

CHAPTER 3: CONNECTIVITY

Connectivity

34. For public transport systems to work for users, there has to be connectivity between different modes. We heard, for example, that many journeys involve switching between bus and rail. Witnesses told us that all too often, planners consider modes separately, which makes journeys inconvenient for users. Travelwatch SouthWest, a public transport users group, summarised the complexity of public transport connectivity: “We talk ... about ‘public transport’ as if it were one entity, with one system behind it. And yet it is far from that: it is divided between modes, between operators within those modes, without a requirement for linkage between modes or even (all too often) within them”.⁵⁹
35. Poor connectivity can disincentivise public transport usage: Transport Focus told us that “it can seem ‘common sense’ to avoid the ‘gamble’ of complex or multi-stage journeys by public transport.”⁶⁰ The Department for Transport summarised the problem:

“The public transport system can be fragmented, with multiple operators, payment platforms and service arrangements in place across different locations and different forms of transport. This can reinforce the private vehicle as the mode of choice ... on the basis of simplicity, cost and convenience.”⁶¹
36. We have identified three key requirements for delivering connectivity—physical infrastructure; integration of services; and digital connectivity—which are necessary to provide a convenient journey for users.

Physical infrastructure

Mobility hubs

37. Getting to and from the start of a journey by public transport can often be the most inconvenient leg of a journey. Mobility hubs provide shared, private and public transport options in one location. They are aimed at improving ‘first and last mile’ connectivity, linking people’s starting points and final destination with bus stops or railway stations. There is no single definition: mobility hubs might encompass one or more rail, bus and light rail interchanges, as well as options such as bike, e-bike and e-scooter hire. Mobility hubs may also provide electric vehicle charge points and parking spaces. In the future, they might incorporate urban drone ‘vertiports’, as has been pioneered in Coventry.⁶²

59 Written evidence from TravelWatch SW (TTS0024)

60 Written evidence from Transport Focus (TTS0062)

61 Written evidence from the DfT (TTS0028)

62 Smart Transport, ‘Opening of Coventry’s drone and flying taxi airport heralds new age of zero-emission transport’, 25 April 2022: <https://www.smarttransport.org.uk/news/latest-news/coventry-s-drone-and-flying-taxi-airport-plans-backed-by-major-brands> [accessed 17 October]

Figure 1: Stuttgart-Vaihingen Railway Station Mobility Hub

Source: Alexander Migl, 'Stuttgart-Vaihingen Train Station Mobility Hub': https://de.wikipedia.org/wiki/Datei:Stuttgart-Vaihingen_Train_Station_Mobility_Hub_IMG_5767.jpg [accessed 1 November 2022] (CC BY-SA 4.0)

38. Certain basic requirements must be fulfilled for mobility hubs to succeed. TravelWatch SouthWest advised that hubs “must be supported by quality timetable information provided by reliable internet coverage”.⁶³ Sustrans advocated “safe, convenient, and direct routes” to and from hubs, noting that “the last mile of these routes ... is often the most difficult part of any journey to a public transport hub”.⁶⁴ We heard that parking ought to be a key component of mobility hubs, with Transport Focus warning that “a lack of car parking space could actually suppress overall demand for rail”.⁶⁵
39. Phil Southall, Managing Director of the Oxford Bus Company, set out a vision for mobility hubs:

“In existing environments, it might be ... a very high-quality bus shelter with real-time information for customers and a nice waiting environment. Ultimately, with new development, it might turn into somewhere where you put the school, the shops, or you can hire a room for an hour with free WiFi for flexible working locations while people are waiting ... People can also cycle in from surrounding areas, or even create mini-park and ride sites. They can be different things in different areas, but the common thread running through it is that it is making it more appealing and more attractive to use buses.”⁶⁶
40. We also heard of the role ‘park and ride’ sites can play in facilitating journeys by public transport and saw the success of this model on our visit to Nottingham. Frome and Villages User Group contended that “connecting from public transport to the car (at a rail station or ‘park and ride’) minimises the risks of delays by the risk of disjointed or lengthier journeys because only one of the legs of the journey is via public transport.”⁶⁷ We heard that around 30% of transport users in Nottingham had changed their travel behaviours

63 Written evidence from TravelWatch SouthWest (TTS0024)

64 Written evidence from Sustrans (TTS0014)

65 Written evidence from Transport Focus (TTS0062)

66 Q 14 (Phil Southall)

67 Written evidence from Frome and Villages Users Group (TTS0025)

by moving from journeys made entirely by car to either ‘park and ride’ or the city’s tram system.⁶⁸

41. **Mobility hubs provide shared, private and public transport options in one location and enhance connectivity across modes. Local authorities should consider incentivising bus operators to deliver mobility hubs at bus stations through Enhanced Partnerships or franchising schemes.**

Integration of services

Coordination of bus services and timetables

42. Historically, integration of bus services has been fragmented. While rail operators are obliged to share coordinated information on timetabling, this does not apply universally to all bus operators.⁶⁹ Competition law, and operators’ caution about breaching it, creates serious limits for the coordination of services between operators and has deterred them from alignment on timetabling, fares and ticketing. Dr David Walmsley said: “Integration of services and timetables has, since bus deregulation in 1986, been problematic as bus companies are prohibited from cooperating to coordinate their services, even where this would clearly be in the passengers’ interests”.⁷⁰ Padam Mobility told us: “Although most services are run by five main operators, there are numerous smaller providers around the UK, including community groups and municipal bus companies. Historically fare, timetable and real-time journey information covering these services was scattered between different (often offline) sources.”⁷¹
43. We heard of encouraging developments in coordinating bus services. The Government’s National Bus Strategy, published in March 2021, required all local authorities to produce Bus Service Improvement Plans, outlining how local transport authorities and bus operators would collaborate in integrating services and timetables.⁷² Professor Peter White said: “The act of having to produce Bus Service Improvement Plans has been a useful exercise in ... bringing together operators and local authorities. In some cases, adjoining authorities have produced joint plans, which ... helps to overcome some of the boundary problems.”⁷³

Integration across modes

44. Effective integration of timetabling and services between transport modes—particularly rail and bus—is often lacking. Frome and Villages Bus Users Group suggested that “the lack of evening bus services often precludes a rail commuter journey completing their journey by bus from the rail station to home”.⁷⁴ Provision of integrated information across modes is also unreliable. The BusMan Transport Consultancy said: “There is no requirement for

68 Written evidence from Coventry City Council ([TTS0039](#))

69 For further information on timetabling information in rail, see Rail Delivery Group, ‘Fares, routeing and timetable data’: <https://www.raildeliverygroup.com/our-services/rail-data/fares-timetable-data.html> [accessed 12 October 2022]

70 Written evidence from Dr David Walmsley ([TTS0051](#))

71 Written evidence from Padam Mobility ([TTS0023](#))

72 DfT, *Bus Back Better: National Bus Strategy for England* (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 [accessed 16 August 2022]

73 [Q 78](#) (Professor Peter White)

74 Written evidence from Frome and Villages Users Group ([TTS0025](#))

railway station operators to provide bus timetable or routing information in a way that is readily understandable by passengers”.⁷⁵

Box 2: Taktfahrplan

The ‘Taktfahrplan’ is an integrated timetable covering public transport services for a given network, which is widely used across Switzerland, Germany, Austria and Finland. Rail and bus services operate at regular intervals, are consistent throughout the day, and are scheduled to maximise effective connections between services. Due to its simplicity and regularity, the system is memorable to users. Costs are managed by standard operational patterns; signallers and drivers repeat the same patterns, rather than following bespoke schedules.

Source: North Devon Public Transport Users, ‘Taktfahrplan Explained’, 2022: <http://www.ndptu.org.uk/TaktfahrplanExpl.shtml> and North Devon Public Transport Users, ‘Taktfahrplan and Changing Trains’, 2022: <http://www.ndptu.org.uk/Comment14.shtml> [accessed 15 August 2022]

45. During our visit to Coventry, we saw the helpful innovation of a joint rail and bus departures screen outside the recently redeveloped Coventry Railway Station, which gives passengers the opportunity to cross-check services in real time.

Figure 2: Coventry Railway Station combined bus and rail timetable screen

Rail Departures				Bus Departures			
Time	Destination	Platform	Status	Service	Destination	Board	Operator
17:04	London Euston	1	On time	11	Coventry	WR5	Coventry
17:10	Birmingham New Street	3	17:14	X17	Warwick	WR6	Stagecoach
17:11	London Euston	1	17:13	X17	Warwick	WR1	Stagecoach
17:17	Nuneaton	4	On time	11	Coventry	WR4	Coventry
17:25	Reading	2	On time	X17	Coventry	WR5	Stagecoach
17:28	Manchester Piccadilly	4	On time	9	University Hospital	WR5	Coventry
17:31	London Euston		Cancelled	9	Green Lane	WR6	Coventry
				X17	Coventry	WR3	Stagecoach
				25	Coventry	WR5	Coventry
				12X	Coventry	WR5	Coventry

Source: Coventry City Council

46. It is a matter of real concern that in some large cities, passengers are not able to access coordinated timetable information on bus services provided by different operators. It would be beneficial for

75 Written evidence from BusMan Transport Consultancy (TTS0012)

local authorities and operators to enable passengers to access a coordinated timetable to plan their journeys.

Digital connectivity

47. Digital advancements have offered passengers new ways to plan, book and pay for journeys, with smartphone apps enabling users to find the best route for their trips. We heard how this has altered consumers' expectations. Oz Choudri, Head of Mobility Solutions—UK & Ireland, Enterprise Holdings, told us: "The consumer, when they are looking to change their behaviour, wants everything to be fairly easy, intuitive, on demand and instant when they are looking to access transportation."⁷⁶
48. The Urban Transport Group said:

"Greater digital connectivity and the growth of 'on-demand' transport, such as Uber, have led to greater expectations for public transport, that its networks should adapt to customers and their convenience, rather than customers adapting their behaviour to rigid timetables and routes. In the next 10 years it is likely that people will expect more flexibility in their transport options and more seamless integration."⁷⁷
49. However, Transport for London said: "It is still commonplace for a customer to get journey times from one place, ticketing solutions from another and then request refunds via yet another platform."⁷⁸ Go-Ahead made the case for more real-time information, as is provided in London: "Whilst our customer apps provide real time integrated information, having more widespread real time information at bus stops would help reassure occasional/discretionary users."⁷⁹

Demand-responsive transport

50. Demand-responsive transport (DRT) is a form of shared public transport where vehicles alter their routes based on users' needs without a fixed route or timetable, similar to the 'dial a ride' services that were introduced in the 1970s.⁸⁰ DRT allows services to respond flexibly to the requirements of users. Vehicles do not travel along a fixed route or timetable but are adjusted to fulfil passenger trip requests. With modern DRT services, passengers book and pay for their journeys via an app. DRT fares typically cost more than public transport but less than a taxi. The service may require passengers to walk to existing bus stops, virtual bus stops—such as corners or other landmarks—or a requested pickup address.
51. DRT trials are underway in several urban areas across the UK to assess their viability. In 2019, the Welsh Government—in cooperation with Transport for Wales, local authorities, and operators—introduced four trials of DRT in North and West Wales under the brand 'fflecsi'.⁸¹ Access to public transport

⁷⁶ **Q 55** (Oz Choudri)

⁷⁷ Written evidence from Urban Transport Group (**TTS0016**)

⁷⁸ Written evidence from Transport for London (**TTS0060**)

⁷⁹ Written evidence from Go-Ahead (**TTS0010**)

⁸⁰ Dial-a-ride services were first introduced in the UK in Knowle and Dorridge: Mulley et al (2013) "Companion to Road Passenger Transport History", RRTHA, Walsall available at: <http://www.rrtha.org.uk/publications/companion-to-road-passenger-transport-history-2> [accessed 12 October 2022].

⁸¹ Fflecsi, 'The flexible way to travel': <https://www.fflecsi.wales/> [accessed 27 October 2022] and Welsh Government, 'Minister announces £1 million for responsive bus trials', 13 August 2019: <https://gov.wales/minister-announces-responsive-bus-trials> [accessed 27 October 2022]

was considered particularly poor in these regions, with one in five people unable to access their place of work.⁸² In 2022, the scheme was extended to include a zero-emission vehicle.⁸³ Transport for Wales said that fflecsi has led to an increase in passenger demand over the previous timetabled bus services.⁸⁴ Transport for Wales indicated that they would monitor progress before potentially delivering the fflecsi scheme on a permanent basis.⁸⁵ In September, the year-long trial of fflecsi in Newport ended.⁸⁶

52. One of the key benefits claimed by DRT is the geography it can cover. Phil Southall said: “Demand-responsive transport [DRT] can play a role in meeting ... more orbital demands, or if you have business parks or retail outlets that have been put in the wrong place due to historical planning errors”.⁸⁷ The Department for Transport suggested that DRT schemes could help in serving “large workplaces with anti-social hours, such as hospitals, and addressing the safety concerns of some passengers”, in addition to improving “provision in the evenings and on Sundays”.⁸⁸ The BusMan Consultancy said: “DRT has the potential to enable a public transport service to be provided in a sustainable way in small and medium-sized towns at times of lower demand (i.e. evenings and Sundays) with minimum resources.”⁸⁹ Professor Michael Waterson said that the advantage of DRT “over taxis and providers such as Uber” is the shared aspect, which reduces costs for the consumer.⁹⁰

Box 3: ArrivaClick

ArrivaClick is a flexible, on-demand minibus service operating in Liverpool, Watford and Ebbsfleet. Users select their desired pick-up and drop-off points in the ArrivaClick app and are connected with the nearest available vehicle. Payment is made via the app. Fares begin at £1 and are based on the distance and time of travel. For regular users, a weekly ArrivaClick pass is available for unlimited journeys, while credit bundles offer savings. Pay-as-you-go is also possible.

Source: Arriva, ArrivaClick: <https://www.arrivabus.co.uk/arrivaclick> [accessed 3 November 2022]

53. There are drawbacks to DRT too. The operator Go-Ahead ran ‘PickMeUp’, a DRT trial, in Oxford between 2018 and 2020.⁹¹ It was the largest DRT scheme in the UK, with 38,000 users and an average of 400 trips per day. However, the operator said that “the impact of congestion on reliability led to the service being withdrawn”.⁹² Go-Ahead stressed that such schemes require

82 Welsh Government, ‘Minister announces £1 million for responsive bus trials’, 13 August 2019: <https://gov.wales/minister-announces-responsive-bus-trials> [accessed 27 October 2022]

83 Interchange, ‘Welsh Government pilots zero-emission demand-responsive bus service’, 31 March 2022: <https://www.interchange-uk.com/news/welsh-government-pilots-zero-emission-demand-responsive-bus-service> [accessed 12 October 2022]

84 *Ibid.*

85 Travel for Wales, ‘Travel by bus fflecsi’: <https://tfw.wales/ways-to-travel/bus/fflecsi> [accessed 12 October 2022]

86 South Wales Argus, ‘I felt safe’—Fflecsi bus ending in Newport’, 4 October 2022: <https://www.southwalesargus.co.uk/news/23016836.i-felt-safe-fflecsi-bus-ending-newport-helped-need/> [accessed 12 October 2022]

87 Q 17 (Phil Southall)

88 Written evidence from the DfT (TTS0028)

89 Written evidence from BusMan Transport Consultancy (TTS0012)

90 Written evidence from Professor Michael Waterson, University of Warwick (TTS0013)

91 Written evidence from Go-Ahead (TTS0010)

92 *Ibid.*

“a partnership approach with public sector (and/or local employers)”.⁹³ Phil Southall remarked that DRT would need “to generate about eight passengers per bus per hour for it to be commercially viable, and we achieved about five to six.”⁹⁴ Dr David Metz, a former Chief Scientist at the Department for Transport, said that the “economic viability of this mode is not yet generally established”.⁹⁵ Stephen Joseph OBE, Visiting Professor at the University of Hertfordshire, emphasised that DRT must be “an adjunct and supplement to fixed-route services and not a replacement”.⁹⁶

54. **Demand-responsive transport (DRT) is a form of shared public transport where vehicles alter their routes based on users’ needs without a fixed route or timetable, similar to a ‘dial a ride’ service. Evidence from recent trials of DRT—including in Oxford and the ‘fflecsi’ programme in Wales—will enable the Government to assess whether similar services could be beneficial in some suburban areas.**

Car sharing

55. Car sharing has the potential to transform transport connectivity. Car sharing may be formal, through an organised car rental scheme, or informal, such as colleagues travelling to work together. Car clubs give members access to a fleet of cars and charges are based on length of time borrowed and/or miles driven. As with DRT, digital developments have enabled cars to be booked on demand.
56. A key benefit of car clubs lies in reducing congestion. Research conducted by the charity CoMoUK in 2021 found that each car club vehicle in the UK displaced 20 cars.⁹⁷

Box 4: Liftshare

‘Liftshare’ is a Norfolk-based car-sharing platform. It supports large employers across the UK (including BT, AstraZeneca and Heathrow) to coordinate car-sharing schemes and is reported to take 25,000 vehicles off the road every day. In 2019, Liftshare and Enterprise Holdings launched a ‘shared asset model’ scheme. During the day, a car club vehicle is available for use either by employees for company travel, removing the need for them to use their own vehicle, or by the general public. To further maximise usage, the vehicle is available on a pay-as-you-go tariff at weekends and evenings.

Source: Liftshare, ‘Travel happy’: <https://liftshare.com/uk> and Intelligent Transport, ‘Enterprise Car Club and Liftshare launch car-sharing offer’, 18 November 2019: <https://www.intelligenttransport.com/transport-news/92368/enterprise-car-club-and-liftshare-launch-car-sharing-offer/> [accessed 15 August 2022]. Written evidence from Transport East ([TTS0054](#)) and [Q 10](#) (Stephen Joseph)

57. In April 2022, the Department for Transport published guidance encouraging local authorities to integrate planning for car clubs and DRT in Local

93 *Ibid.*

94 [Q 17](#) (Phil Southall)

95 Written evidence from Dr David Metz ([TTS0059](#))

96 [Q 4](#) (Stephen Joseph)

97 CoMoUK, *Car Club Annual Report UK 2021*: <https://como.org.uk/wp-content/uploads/2022/04/CoMoUK-Car-Club-Annual-Report-UK-2021.pdf> [accessed 15 August 2022]

Transport Plans.⁹⁸ While we consider this an encouraging development, it is not clear how financially sustainable DRT can be.

Open data sharing

58. Open data sharing enables providers to analyse passengers' preferences and habits, and to adapt services to meet demand. Sharing transport data can give operators and local authorities access to the real-time movements of users—rather than estimates—which can help transport planners manage services to meet demand. Users benefit from shared data in being able to plan their journeys in real time.
59. London is considered a world leader in the provision of data on services. The city's transport authorities have consistently promoted open data: Transport for London publishes data on journey planning, live departure information across modes, and data on traffic disruptions on the roads.⁹⁹ This has stimulated a growth in innovation, with a range of mobility apps tested and developed in London. Analysis by Deloitte in 2017 estimated that the total Gross Value Added from Transport for London data being opened up to these companies was between £12 million and £15 million per year.¹⁰⁰ Transport for London told us: "It will be vital that public sector authorities are able to access trip data from private operators as they launch and grow, in order to ensure they can plan, deliver or enable transport services that best serve the city."¹⁰¹
60. While local authorities are required to share data on bus timetables, fares, and real time information under the Bus Services Act 2017, they are not obliged to share data on the number of users travelling on specific routes or via specific stops.¹⁰² Public transport operators—who own much of this data—are also not obliged to share it; companies can be unwilling to share commercially sensitive data. Martin Howell, Director of Transport Markets, UK & Ireland, Worldline, told us: "So much ... data is held in silos, because it is in a commercial interest to hold the data."¹⁰³ As a result, in some areas real-time transport updates are not available for passengers.
61. Transport North East emphasised the benefits of open data sharing:

"It would empower customers to make informed decisions about how and when they travel to avoid crowded services, which in turn could spread peak demand and thus improve network performance ... Accurate data on spare capacity would inform operators' decisions about scheduling services and dispatching additional vehicles to bolster capacity at busy times."¹⁰⁴

98 DfT, 'Demand responsive transport: local authority toolkit', 13 April 2022: <https://www.gov.uk/government/publications/demand-responsive-transport-local-authority-toolkit/demand-responsive-transport-local-authority-toolkit> [accessed 15 August 2022] and DfT, 'Car clubs: local authority toolkit', 13 April 2022: <https://www.gov.uk/government/publications/car-clubs-local-authority-toolkit/car-clubs-local-authority-toolkit> [accessed 15 August 2022]

99 Open Data's Impact and The Gov Lab, *United Kingdom's Transport for London Get Set Go*, 2016: <https://odimpact.org/case-united-kingdoms-transport-for-london.html> [accessed 15 August 2022]

100 Deloitte, *Assessing the value of TFL's open data and digital partnerships*, July 2017: <https://content.tfl.gov.uk/deloitte-report-tfl-open-data.pdf> [accessed 15 August 2022]

101 Written evidence from Transport for London (TTS0060)

102 [Bus Services Act 2017](#)

103 [Q 42](#) (Martin Howell)

104 Written evidence from Transport North East (TTS0044)

62. Transport Focus advised that a more open data environment is necessary to meet customers' expectations: "If transport continues to mimic trends seen across many other service industries, people will expect it to provide more personalised information—for example, personalised disruption information, prompts on delay repay compensation, and targeted special offers."¹⁰⁵ This is made more challenging if information on different services and modes is stored in multiple different systems.

Role of local authorities

63. We heard that there is a role for local authorities in managing data. The West of England Combined Authority said:

"Local and regional authorities will need to take leading roles as guardians of the increasing volumes of transport data produced. Public authorities can also act as the neutral protectors of commercially sensitive data provided by operators. Taking this neutral leadership role will enable public authorities to ensure that as much data as possible is appropriately made available to all those involved in the planning and delivery of public transport services."¹⁰⁶

64. However, we heard that local authorities often lack the skills for efficient data management. During our visit, Transport for West Midlands said that building in-house data expertise in local authorities is expensive.¹⁰⁷ Professor Grant-Muller from the Institute for Transport Studies, University of Leeds, said that the "real task of processing [data] and making it into actionable information ... takes particular kinds of skills that are not necessarily embedded in traditional transport suppliers, operators or local authorities. That requires either upskilling ... or forming partnerships with third-party suppliers".¹⁰⁸

Government commitments

65. The Levelling Up White Paper indicated that the Government intends to "transform its approach to data and evaluation to improve local decision making".¹⁰⁹ The paper said that the Government will "encourage innovative uses of real-time data at the local level" and that a new independent body will lead in gathering data across local authorities. There was, however, no reference to the use of data in public transport planning.
66. **Sharing operational data on public transport services can help to plan and deliver a better service for users. However, data provision is patchy in different regions and real-time service updates are not always available, as operators are not obliged to share data they hold. In some cases, real-time service performance data is not collected at all. Whilst recognising competitive constraints, improvements to data sharing could benefit passengers, by providing more accurate live information, and operators, by growing demand and enabling them to plan and deliver services more efficiently.**

105 Written evidence from Transport Focus ([TTS0062](#))

106 Written evidence from West of England Combined Authority ([TTS0038](#))

107 See Appendix 5.

108 [Q 41](#) (Professor Susan Grant-Muller)

109 HM Government, *Levelling Up: Levelling Up the United Kingdom* (2 February 2022): https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1052708/Levelling_up_the_UK_white_paper.pdf [accessed 12 October 2022]

CHAPTER 4: TICKETING

Contactless ticketing

67. People are increasingly choosing to use contactless technology for everyday transactions. In May 2021, 65% of retail purchases were made using contactless payments through a debit card.¹¹⁰ Since 2014, contactless card payments have been accepted across public transport modes in London and in 2016 this expanded to contactless-enabled mobile devices.¹¹¹ Fares are set at a daily maximum rate, giving passengers certainty that they will not be charged beyond the maximum daily fare, however many times they tap in and out within the zonal system. Contactless technology allows a bank card or smartphone to replace a paper ticket; this is distinct from QR codes being used as tickets.
68. Contactless payment by bank card brings widespread benefits. In 2016, Transport Focus found that, of customers using contactless payments in general retail, 84% cited ‘speed’ and 79% cited ‘ease’ as reasons for use.¹¹² Go Ahead, the public transport operator, told us: “Contactless or digital payments ... make it easier for, especially infrequent, passengers to access our services” and added “smart ticketing is the foundation of integration between operators and modes”.¹¹³ For operators, contactless reduces the cost of collection through savings on staff, ticket vending machines and ticket counters.¹¹⁴
69. We heard that trust will be key in delivering contactless ticketing. The TAS Partnership, a passenger transport consultancy, said: “The challenge lies in convincing the user that ‘the system’ is actually providing the best deal for the user if it takes the ‘purchase decision’ away.”¹¹⁵
70. We undertook a short inquiry on rail ticketing reform in Autumn 2021.¹¹⁶ Our recommendations included introducing contactless payments across the rail network; simplifying fares; and upgrading ticketing infrastructure. Above all, we felt that building public trust would be key to stimulating a modal shift to encourage passengers to use rail services. These priorities may usefully be applied to other modes so that planning journeys by public transport is as simple and attractive as possible.

Smartcards

71. Smartcards require a separate physical card that requires topping up, as opposed to contactless payments using a bank card. London was the first city to introduce a smartcard system, the Oyster card, in 2003. By 2012, 80%

110 BBC News, ‘Contactless payments dominated as lockdowns eased’, 26 August 2021: <https://www.bbc.co.uk/news/business-58341582> [accessed 15 August 2022]

111 Written evidence from WMG, University of Warwick (TTS0055)

112 UK Finance, *Contactless Transit: Implementation in the UK* (June 2019): https://www.ukfinance.org.uk/system/files/Contactless%20Transit_v4_FINAL.pdf [accessed 12 October 2022]

113 Written evidence from Go-Ahead (TTS0010)

114 LIT Transit, ‘Top 10 reasons why your city needs contactless payments’, 20 May 2020: <https://lit-transit.com/insights/top-10-reasons-why-your-city-needs-contactless-payments/> [accessed 15 August 2022]

115 Written evidence from the TAS Partnership (TTS0042)

116 Letter from Chair of the House of Lords Built Environment Committee, to Chris Heaton-Harris MP, Minister of State at the DfT, ‘Rail fare reform’ (5 November 2021): <https://committees.parliament.uk/publications/7756/documents/80776/default/>

of journeys in London were made using an Oyster card.¹¹⁷ Similar regional smartcard schemes have been introduced in other urban areas. Transport for West Midlands operates a pay-as-you-go smartcard scheme, the Swift, which is available on certain train services, buses, the metro, bike hire schemes and in some car parks.¹¹⁸

72. Transport for the North began an Integrated and Smart Travel Programme in 2015. The programme aimed to introduce smartcard and contactless payment across bus, light rail and rail in multiple geographies, a measure intended to “build confidence amongst passengers as we move into a post-COVID-19 environment”.¹¹⁹ The Government had committed to £150 million for the smart ticketing scheme over five years. Following the implementation of the first two of the six planned phases of the Integrated and Smart Travel Programme, which included a smartcard scheme, in January 2021, the Department for Transport announced that no ongoing funding would be provided for the programme.¹²⁰ Transport for the North cancelled the smart travel programme in February 2021, citing insufficient funding.¹²¹

Box 5: Vienna Annual Season Ticket

In 2012, Vienna introduced a multi-modal annual travel card priced at €365 per year. It can be used across the city tram, metro, bus and rail networks and is available as a mobile phone display on the Wiener Linien ticket app. In 2019, the number of holders of this annual pass (852,000) exceeded the number of registered vehicles in Vienna (by 143,000) for the fourth time in a row. Companies can buy the annual season ticket for their employees and offset this against tax. The ticket provides a range of discounts at various artistic and cultural institutions, as well as in businesses across Vienna.

Source: Wiener Linien, ‘Annual pass’: <https://www.wienerlinien.at/web/wl-en/annual-pass> [accessed 1 November 2022]

Government commitments

73. The Government has made various commitments to extend contactless ticketing across rail and bus networks. The Williams–Shapps Plan for Rail (2021) stated: “Great British Railways will invest substantially in growing London-style Pay As You Go contactless ticketing on urban and commuter networks”.¹²² In November 2021, the Government committed to £360 million funding for contactless tap-in and tap-out ticketing at more than 700 railway

117 Railway Technology, ‘Cracking open the story of London’s Oyster Card’, 3 December 2019: <https://www.railway-technology.com/analysis/oyster-card-future/> [accessed 16 August 2022]

118 Transport for West Midlands, ‘Swift and tickets’: <https://www.tfwm.org.uk/swift-and-tickets/> [accessed 16 August 2022]

119 Transport for the North Board, *2021/22 Funding and Business Planning*, 14 January 2021: <https://democracy.transportfornorth.com/documents/s2053/Item%206a%20-%202021-22%20Funding%20and%20Business%20Planning.pdf> [accessed 27 October 2022]

120 *Ibid.*

121 Transport for the North, ‘Integrated and Smart Travel’: <https://transportfornorth.com/IST/> [accessed 27 October 2022]

122 DfT, *Great British Railways: The Williams–Shapps Plan for Rail*, CP 423, May 2021: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/994603/gbr-williams-shapps-plan-for-rail.pdf [accessed 18 August 2022]

stations outside London and the South East, including more than 400 stations across the North.¹²³ There is no stated target completion date.

74. The Government's National Bus Strategy, *Bus Back Better* (2021), stipulated that Bus Service Improvement Plans set out how multi-operator tickets and price caps will be delivered.¹²⁴ The strategy indicated that to ensure the industry "maintains the standard of 100% contactless" the Government will "consider making it a condition of bus service registration and Bus Service Operator Grant eligibility". No timetable has been set to meet this ambition.
75. The Government's Levelling Up White Paper included the ambition that "local public transport connectivity across the country will be significantly closer to the standards of London, with ... integrated ticketing".¹²⁵

Multi-modal, multi-operator

76. Bus operators emphasised the importance of multi-operator, capped ticketing on demand. At present, users frequently pay separately for services provided by competing bus companies in the same city, which increases costs for passengers and may lead them to change their journeys.
77. London has a simplified zonal fare structure within the travelcard area which makes pay-as-you-go contactless payment straightforward. Different charges are deducted depending on which of the nine zones the user travels to or from.¹²⁶ Germany has a similar tariff-based system. A tariff zone comprises a city or several smaller towns, with five fare categories.¹²⁷ A similar comprehensive zonal model does not exist in other English cities.
78. We heard of the need to align national ticketing schemes with local schemes. The Urban Transport Group said that without strategic engagement between the city regions and the Department for Transport, national initiatives "will frustrate and delay the implementation of the ticketing products that users in the city regions want in favour of schemes that are modally fragmented [or] unattractively priced".¹²⁸ The Group recommended that the Department "set aside dedicated, senior capacity and capability ... to support the delivery of smart, integrated and, importantly, multi-modal ticketing."¹²⁹ Transport North East held a similar view: "It is critically important that national, sub-regional and regional initiatives are aligned to avoid fragmentation and funding being spent on abortive initiatives."¹³⁰
79. The Warwick Manufacturing Group (WMG) recommended integrating capping systems between different regions. Noting that a journey on the networks of Transport for London and Transport for West Midlands currently leads to two separate charges, the Group said: "A universal 'public

123 DfT, '£360 million investment to transform rail ticketing across the country', 17 November 2021: <https://www.gov.uk/government/news/360-million-investment-to-transform-rail-ticketing-across-the-country> [accessed 16 August 2022]

124 DfT, *Bus Back Better: National Bus Strategy for England* (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 [accessed 16 August 2022]

125 HM Government, *Levelling Up: Levelling Up the United Kingdom*

126 Transport for London, 'Caps and Travelcard prices': <https://tfl.gov.uk/fares/find-fares/tube-and-rail-fares/caps-and-travelcard-prices> [accessed 16 August 2022]

127 Verkehrsverbund Rhein-Ruhr, 'Tariff zones, regions & fare categories': <https://www.vrr.de/en/tickets-fares/tariff-zones-regions-fare-categories/> [accessed 16 August 2022]

128 Written evidence from Urban Transport Group (TTS0016)

129 *Ibid.*

130 Written evidence from Transport North East (TTS0044)

transport' cap could ... lead to increased cross-system usage."¹³¹ However, it warned that "considerations as to how the income is allocated to the separate operators (e.g. by distance, by cost to operate, etc.) are required".¹³²

80. **A multimodal, multi-operator zonal ticketing system in each large town or city—where fares are set depending on the zones a passenger moves through—would make it considerably easier to deliver contactless ticketing. This would increase the attractiveness of public transport to passengers. The Government should provide an evaluation of the costs and benefits of implementing a multimodal zonal ticketing system for large towns and cities in England.**

Drawbacks of contactless ticketing

81. As stated in our letter on rail fare reform, some passengers will need to have the option to buy tickets with cash for the foreseeable future. Inclusion for those without a smartphone or bank card is important. On rail, Chris Heaton-Harris MP, the then Rail Minister, confirmed that the Government will ensure that "there will always be a way for those who wish to use cash can do so".¹³³
82. **The option to pay by cash will need to remain available in the foreseeable future. As contactless payment becomes more widespread, operators should ensure that buses, trams, trains, taxis and other modes continue to provide a way for cash users to purchase tickets.**

Concessionary fares

83. Under the English National Concessionary Travel Scheme, introduced in 2008, people over the state pension age of 66 or with an eligible disability are entitled to apply for free travel on local bus services.¹³⁴ The concession applies between 9.30am and 11pm on weekdays and at any time on weekends or bank holidays. Councils reimburse bus operators for these concessionary journeys. Concessionary journeys made up 31% of all local bus passenger journeys in England in 2020–21.¹³⁵ English Travel Concession Authorities, including London, estimated they spent around £1.07 billion on concessionary travel in 2020–21.¹³⁶ This concessionary scheme is distinct from the railcard schemes managed by the Rail Delivery Group which do not receive direct funding from Government.¹³⁷
84. Professor John Preston, Professor of Rail Transport, University of Southampton, identified some drawbacks with the current provision: "It tends to be the more affluent recently retired—in other words, the young elderly—who are making a lot of use of the scheme, so the subsidy is not necessarily targeted on the basis of need". Often this demographic is still

131 Written evidence from WMG, University of Warwick ([TTS0055](#))

132 *Ibid.*

133 Oral evidence taken before the Built Environment Committee, inquiry on Williams-Shapps Plan for Rail: fare reform, 15 September 2021 (Session 2021–22), [Q 24](#) (Chris Heaton-Harris MP)

134 House of Commons Library, 'Concessionary bus travel, Briefing paper', [CBP 1499](#), 20 July 2020

135 DfT, *Annual bus statistics: England 2020/21*: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1030718/annual-bus-statistics-year-ending-march-2021.pdf [accessed 26 August 2022]

136 DfT, *Concessionary Travel Statistics England 2020/21*, 3 November 2021: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1030564/concessionary-travel-statistics-year-ending-march-2021.pdf [accessed 16 August 2022]

137 National Rail Enquiries, 'Senior Railcard': https://www.nationalrail.co.uk/times_fares/pr7bb7e80a040002001b255638df2424.aspx [accessed 27 October 2022]

in work. While describing more targeted allocation of concessions as “bureaucratically expensive”, Professor John Preston suggested “there are some fine balances to be had”, adding that “the social benefits outweigh the social costs for some targeted concessionary fare subsidies, particularly with respect to the young, the elderly and persons with restricted mobility.”¹³⁸ We did not have the opportunity to take detailed evidence on both sides of this debate.

85. In March 2019, the Commons Transport Committee recommended that the Government should review how concessionary bus travel is financed. In response, the Government indicated that the concessionary fare scheme would be looked at in the round as part of the then Ministry for Housing, Communities and Local Government’s wider review of local government needs and resources.¹³⁹ After multiple COVID-19 related delays, the review is not set to be published until April 2023 at the earliest.¹⁴⁰
86. **The Government must publish its proposed review of the benefits and costs of providing concessionary travel to different user groups, which is overdue. The review should consider where concessionary fares could best be targeted to maximise societal benefits.**

138 [Q 136](#) (Professor John Preston)

139 Transport Committee, *Bus services in England outside London* (Ninth Report, Session 2017–2019, HC 1425). Transport Committee, *Bus services in England outside London: Government’s response to the Committee’s Ninth Report of Session 2017–19* (First Special Report, Session 2019–20, HC110)

140 The Institute for Government, *Local government funding in England* (2022), <https://www.instituteforgovernment.org.uk/printpdf/9553> [accessed 18 August 2022]

CHAPTER 5: LOCAL GOVERNMENT AND PLANNING

87. While central government sets the national agenda for public transport reform and holds the purse strings, state involvement in local public transport delivery is largely down to local government decision making and local transport authorities working with operators. Local authorities also have leverage through the planning system.

Local government

88. There are various local governance arrangements for public transport. Many of the larger cities fall within one of the 10 mayoral combined authorities in England (including London). The devolution deals for each region grant different powers in relation to transport funding and decision making. Given that metro mayors have responsibility for whole regions, this arrangement can reflect travel patterns, where people cut across local authority boundaries for work, education and leisure. Andy Burnham said the “key ingredient” to good public transport policy making is the “ability to have a single policy for the system so that all modes can pull together in a single vision.”¹⁴¹
89. Our evidence showed some hesitation about the Government’s commitment to devolution. Transport North East said “So far many warm words have been spoken about the benefits of devolution (including in the Levelling Up [White] Paper), but this needs to translate into action on the ground and a substantial shift away from remote control and micromanagement from Whitehall.”¹⁴²

Box 6: Public transport governance in London

Transport for London has responsibility for most of the transport network in London, including buses, the underground, overground, principal road routes, cycling provision, light rail, and the Elizabeth Line. The underlying services are provided by a mixture of wholly owned subsidiary companies (including London Underground), private sector franchisees, and licensees.

Transport for London was created under the Greater London Authority Act 1999. Transport for London controls bus services and fare levels, including specifying service frequency, setting and monitoring quality and safety standards, and setting vehicle capacities and minimum standards.

Transport for London is funded through a mix of revenue from fares (£4.9 billion in 2019–20); revenue from other charges, such as the Ultra-Low Emission Zone and Congestion Charge (£1.2 billion); grants including business rates retention and borrowing & cash reserves (£0.9 billion). In recent years, Transport for London also received £3.4 billion funding for Crossrail. In August 2022, a funding settlement was agreed between the Government and Transport for London for until 31 March 2024. This base funding of around £1.2 billion is in place to give Transport for London ongoing revenue support should passenger numbers not recover post-pandemic.

Source: Transport for London, ‘How we are funded’: <https://tfl.gov.uk/corporate/about-tfl/how-we-work/how-we-are-funded> and Transport for London, ‘TfL Statement—Update on Government funding settlement’, 30 August 2022: <https://tfl.gov.uk/info-for/media/press-releases/2022/august/tfl-statement---update-on-government-funding-settlement> [accessed 27 October 2022]

141 [Q 121](#) (Andy Burnham)

142 Written evidence from Transport North East ([TTS0044](#))

Bus services regulation

90. Since the mid-1980s, bus services outside London have been deregulated. As a result, most bus services are now run by private bus companies on a commercial basis. These companies range from large multi-nationals through to small, family-run businesses, with a handful of municipal bus companies owned by local transport authorities. Most decisions about local services—including routes, frequencies and fares—are taken by individual bus companies. Bus operators can struggle to sustain routes and services to rural areas and the outskirts of towns and cities. Where the market fails to provide these services, local transport authorities tender these routes and services from private operators.
91. We heard criticisms of the deregulated approach to bus service provision. Transport East told us: “The complexity of the region’s network (with multiple private operators) means passenger transport services are often not well integrated, with limited timetable or ticketing coordination between services and, in some instances, unattractive infrastructure”.¹⁴³ Coventry City Council stated: “the system is provided by the private sector with relatively little opportunity for public influence” and “Given that the Levelling up White Paper has identified the objective of rolling out London-style public transport across the rest of the country, this can only be achieved with all forms of public transport coming under some form of local authority management, as is the case with Transport for London.”¹⁴⁴
92. In efforts to address some of these issues, the Government’s National Bus Strategy (published in March 2021) required local transport authorities (by April 2022) to introduce either an Enhanced Partnership or a plan to establish a franchising scheme.¹⁴⁵
93. Provision for Enhanced Partnerships and franchising schemes was made in the Bus Services Act 2017, but before publication of the National Bus Strategy take-up had been limited. Hertfordshire County Council was the only local transport authority to introduce an Enhanced Partnership, Intalink, which served as a case study for the national strategy.¹⁴⁶ Greater Manchester was the only metropolitan area to begin the process for franchising services before the National Bus Strategy was published.
94. In March, the Government reported that all 79 local transport authorities had published a local Bus Service Improvement Plan, and that most local transport authorities (76 of 79) had opted to form an enhanced partnership for bus services.¹⁴⁷ Of these, the Department for Transport told us that around half of the authorities pursuing enhanced partnerships now have the partnerships in place. Three mayoral combined authorities planned to franchise bus services (Greater Manchester, Liverpool City Region and Cambridgeshire & Peterborough), while others are in the scoping phase.¹⁴⁸

143 Written evidence from Transport East ([TTS0054](#))

144 Written evidence from Coventry City Council ([TTS0039](#))

145 DfT, *Bus Back Better: National Bus Strategy for England* (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 [accessed 16 August 2022]

146 Intalink, ‘Passenger Transport Information for Hertfordshire’: <https://www.intalink.org.uk/> [accessed 12 October 2022]

147 Written evidence from the DfT ([TTS0028](#))

148 *Ibid.*

Enhanced partnerships

95. Under enhanced partnerships, local transport authorities agree to provide certain facilities and measures and, in exchange, local operators agree to deliver certain service standards. For example, local transport authorities may agree to fund bus lanes, parking restrictions or other facilities which make bus services more attractive and profitable. Operators, in return, agree to a set of standards, such as the time and frequency of services.
96. Professor John Preston explained: “Enhanced partnerships are much more of a partnership between the public and private sector, with the private sector having more control over ticketing, fares and timetables but with an encouragement to have joint ticketing and co-ordinated timetables.”¹⁴⁹ The Chartered Institute for Logistics and Transport in the UK (CILT) said “Enhanced Partnerships can achieve an amount of integration, albeit without the same level of compulsion that would come with bus franchising.”¹⁵⁰ Witnesses were hopeful that enhanced partnerships could build an ongoing forum to help improve the coordination of services.

Franchising

97. Under a franchise model, a local transport authority specifies the local services it wants—the routes, services, fares, vehicle standards, etc. Operators compete in a tendering process to run some or all of these specified services, with the service specification set in a contract between the authority and the operator. Franchising powers enable local transport authorities to grant operators exclusive rights to run services on a route or in an area. Outside London, only metro mayors and Cornwall Council have automatic access to franchising powers.
98. Franchising is used in London and is common in mainland Europe. Greater Manchester and Liverpool City Region are pursuing bus franchising and hope to introduce their schemes by 2023. The Local Government Association said that “Other authorities will be able to learn from their experience and follow on more easily over the next decade.”¹⁵¹
99. We heard mixed views on the potential effects of franchising. Stephen Edwards, Corporate Director of Public Transport, South Yorkshire Mayoral Combined Authority, said that for “fares and ticketing, it gives greater influence for the region in terms of how we can intervene and simplify some of those situations where the market makes that more complex.”¹⁵² He added that franchising may open up more opportunities for different operators, including SMEs, to enter new regions, as the “franchise contract for operating a number of services ... gives a degree of certainty that is quite different from what you would have with a commercial operator looking to enter a market afresh.”¹⁵³ James Freeman, Former Managing Director of First West of England and Chair of Bus Rapid Transit UK, added that operators’ attitudes towards franchising have changed since the pandemic:

“Although at one stage the operating business was very scared about franchising, it is much less scary than it was ... if I can get a guaranteed

149 [Q 125](#) (Professor John Preston)

150 Written evidence from the Chartered Institute of Logistics and Transport ([TTS0011](#))

151 Written evidence from the Local Government Association ([TTS0043](#))

152 [Q 142](#) (Stephen Edwards)

153 *Ibid.*

payment for running a service to somebody else's specification, I would much rather that than not make enough money out of running a deregulated operation.”¹⁵⁴

100. A major barrier to widespread implementation of a franchise system is the initial cost. In Greater Manchester, the transition resource costs are expected to be around £20 million, with similar costs expected for the Liverpool City Region.¹⁵⁵ Including additional costs, such as depots and fleet acquisition, franchising is expected to cost around £134 million in Greater Manchester and £161 million in Liverpool.¹⁵⁶ CILT told us: “For buses, franchising offers direct control over bus services but at a significant cost which may be too much of a risk for many authorities.”¹⁵⁷ The unlimited transfer of fares risk is also a disadvantage of franchising.

Box 7: Public transport franchising in Manchester

Greater Manchester began the process of franchising the bus network in 2018, with a plan to join together buses, trams, cycling, walking and rail under a single integrated network: the ‘Bee Network’. Under franchising, the Greater Manchester Combined Authority will coordinate the bus network and contract bus companies to run the services. Their view is that this will address the declining use of bus services—from around 400 million bus journeys a year in the mid-1980s to around 200 million in 2021—as well as reduce fares and introduce capped network-wide tickets.

As the first area to use the Bus Services Act 2017 framework to franchise services, Andy Burnham said that the legal framework was “imperfect”:

“The Act allows too much scope for challenge, because this is a very difficult process. We recently successfully defended ourselves against a judicial review of the process, and we are now being challenged on very minor technical grounds about the audit of our COVID-19 assessment, which is frustrating”.

He also raised the risk that the “slow” return to public transport after the pandemic could lead to a funding gap. In the region, bus patronage has returned to around 80% of pre-pandemic levels, while tram patronage is around 70% of pre-pandemic levels.

Source: *QQ 114–116* (Andy Burnham)

Municipal bus companies

101. In five areas in England outside London, Blackpool, Ipswich, Nottingham City, Reading and Warrington, the local transport authority owns a municipal bus company which provides local bus services.¹⁵⁸ Municipal ownership is

¹⁵⁴ *Q 73* (James Freeman)

¹⁵⁵ Liverpool City Region Combined Authority, *Report of the Executive Director of Corporate Services and the Portfolio Holder for Transport and Air Quality* (4 March 2022): <https://moderngov.merseytravel.gov.uk/documents/s60633/Report.pdf> [accessed 16 August 2022]

¹⁵⁶ While acquiring fleets and depots is not necessary under franchising, some areas are opting to do so. *Q 116* (Andy Burnham) and Liverpool City Region Combined Authority, *Report of the Executive Director of Corporate Services and the Portfolio Holder for Transport and Air Quality*

¹⁵⁷ Written evidence from the Chartered Institute of Logistics and Transport (*TTS0011*)

¹⁵⁸ House of Commons Library, *The National Bus Strategy: Bus policy in England outside London*, Research Briefing, *Number CBP9464*, 17 May 2022

common elsewhere in Europe. The Bus Services Act 2017, however, prohibits the creation of new municipal bus companies.¹⁵⁹

102. Andy Burnham told us that the prohibition of the creation of a municipal bus company complicated the process of franchising in Greater Manchester: “The existence of a potential public operator in a franchising process could secure better value for money for the public, rather than asking only the commercial sector to bid.”¹⁶⁰ During our visit, Nottingham City Council told us that the municipal bus company arrangement enabled them to take long-term decisions, such as updating the fleet.¹⁶¹ However, we did not hear evidence on both sides of this debate.

Government’s view

103. The Minister said she was “mostly agnostic” about whether transport authorities should follow the enhanced partnership or franchising route set out in the National Bus Strategy. On enhanced partnerships, she said “In our view, most areas could achieve the same thing more quickly and more cheaply by doing the enhanced partnership route”, but “it depends on your relationship with your local operators. If you have a good relationship with your local operators, an enhanced partnership is absolutely fine. If that is not working out quite so well, you might want to do franchising.” She added that franchising “may well work in Manchester”, but “it is turning out to be quite expensive and taking quite a long time.”¹⁶²
104. **We heard evidence that the Government’s ambition for ‘London-style’ public transport throughout England would be difficult to achieve under the current deregulated environment. Initiatives such as enhanced partnerships are a step in the right direction as they provide an opportunity for operators and local authorities to collaborate to improve services. Local and central government should monitor their effectiveness.**
105. **Some areas may seek to move towards a franchise system, where the local authority specifies the bus services to be provided, determines the routes, timetables and fares and operators deliver these following a competitive tendering process. As with enhanced partnerships, the Government should keep under review the value for money and effectiveness of bus franchising.**

Planning

106. Planning has a pivotal role to play in increasing the connectivity of towns and cities. As Transport for West Midlands put it, “How land is used, and where things are located, have a big impact on where and how people travel”.¹⁶³ Yet transport planning is often disconnected from planning for new housing developments and spatial plans—competing demands mean that transport can be an afterthought in the planning process.
107. Local transport authorities outside London were required to produce Local Transport Plans (which outline policies and implementation plans) every

¹⁵⁹ [Bus Services Act 2017](#)

¹⁶⁰ [Q 113](#) (Andy Burnham)

¹⁶¹ See Appendix 4.

¹⁶² [Q 168](#) (Baroness Vere of Norbiton)

¹⁶³ Written evidence from Transport for West Midlands ([TTS0032](#))

five years under the Transport Act 2000. However, the Local Transport Act 2008 removed this requirement. The Department for Transport told us “61% of authorities have not updated their Local Transport Plans since 2011, leaving many local authorities with outdated plans which do not reflect recent national priorities such as decarbonisation, levelling up and housing.”¹⁶⁴ The Minister added that some plans are “so out of date, [they are] basically useless.”¹⁶⁵

108. Local authorities criticised the steady stream of requests from central government for new transport plans, bids and assessments. In recent years, this has included Bus Service Improvement Plans, Strategic Transport Plans, Local Transport Plans, and Local Cycling and Walking Infrastructure Plans, among others.

Density

109. Housing density plays an important role in shaping public transport systems. CILT said: “Public transport functions best where fairly high densities of demand exist and complementary land uses are allocated along corridors which can be served on high frequency routes.”¹⁶⁶ Public transport is more commercially viable in urban areas which are denser than in more car-based, lower density urban areas.¹⁶⁷
110. The Centre for Cities explained that mainland European cities tend to have more mid-rise built form and apartment living, which makes tram or metro systems more viable. They cited the examples of Leeds and Marseille, which “have a similar population size, but 87% of people can reach the centre of Marseille in 30 minutes by public transport, compared with 38% in Leeds.” Marseille has a tram system, however they said even “if Leeds had a similar-sized network to Marseille, 61% of its population would be 30 minutes from the city centre”, adding that gap cannot be closed “without changes to its built form.”¹⁶⁸

New developments

111. Aligning with the evidence received for our housing inquiry, witnesses were concerned about the transport planning and infrastructure in place for new residential and non-residential developments. A 2018 report by Transport for New Homes reviewed 20 urban extensions and found that, in many cases, they were being built without any links to public transport.¹⁶⁹ The Local Government Association told us that competing demands require councils to shape “density, design and location of new housing in Local Plans to hit national housing targets, meet net zero ambitions and deliver modal shift”, which can leave “residents stranded when the local transport funding or infrastructure is not delivered or quickly withdrawn.”¹⁷⁰
112. Graham Vidler said if public transport was better integrated into spatial planning it, “would lead to developments of a certain scale and certain

164 Written evidence from the DfT ([TTS0028](#))

165 [Q 163](#) (Baroness Vere of Norbiton)

166 Written evidence from the Chartered Institute of Logistics and Transport ([TTS0011](#))

167 [Q 1](#) (Stephen Joseph OBE)

168 Written evidence from the Centre for Cities ([TTS0026](#))

169 Transport for New Homes, *Transport for New Homes: Project Summary Recommendations* (July 2018): <https://www.transportfornewhomes.org.uk/wp-content/uploads/2018/07/transport-for-new-homes-summary-web.pdf> [accessed 17 August 2022]

170 Written evidence from the Local Government Association ([TTS0043](#))

density such that they could more easily support public transport”, on top of “making sure they are designed in such a way that buses can go through them and that there are suitable bus stops for people to access.”¹⁷¹ In our report *Meeting housing demand*, we highlighted the opportunity to increase residential development on land around railway stations close to major cities to help meet housing demand.¹⁷²

113. We also heard that engaging local stakeholders can also encourage take-up of public transport services, with potential passengers drawn to stations that are clean, attractive, well-lit and safe. Jools Townsend, Chief Executive Officer of the Community Rail Network, advocated involving communities in taking care of their stations. There are 76 community rail partnerships (involving one or more staff members working with rail industry partners) and over 1,200 station adoption groups (consisting of volunteers carrying out localised work around stations, such as community gardening, community events, arts projects and working with local schools).¹⁷³ The Community Rail Network found that railway lines with community rail partnerships experienced a 42% increase in patronage in the ten years to 2018, compared with a 35% increase on lines without this resource.¹⁷⁴
114. Coordination between spatial planning and transport policy, for example through the Local Plan process, could help shape placemaking which builds in strong transport links.¹⁷⁵ The Government has committed to “revitalising” Local Transport Plans and is encouraging all areas to submit a new Local Transport Plan during this parliament, which the Department for Levelling Up, Housing and Communities said will “facilitate greater strategic planning, more efficient spending and, ultimately, better delivery of local and national transport objectives in local areas.”¹⁷⁶ The Minister said she was considering the disconnect between Local Plans and transport plans:

“One of the things that I think is missing, however, and that I hope we will be able to resolve, is the interrelationship between a local authority’s spatial plan and its [local] transport plan, which because, as I have mentioned, it is so out of date, is basically useless.”¹⁷⁷
115. **Effective integration of land use and transport planning will be key to ensuring that new developments encourage public transport use. In some cases, this may involve increasing housing density or building around existing public transport links.**
116. **Given competing demands and timeframes faced by local authorities, spatial and transport planning can be disjointed. To help integrate transport planning, the Government should formally link the production of Local Transport Plans with Local Plans.**

171 [Q 21](#) (Graham Vidler)

172 Built Environment Committee, *Meeting housing demand* (1st Report, Session 2021–22, HL Paper 132)

173 [Q 147](#) (Jools Townsend). For further information see Community Rail Network: <https://communityrail.org.uk/> [accessed 27 October 2022]

174 [Q 148](#) (Jools Townsend)

175 Local planning authorities must prepare a Local Plan which sets planning policies in their area. Local Plans must be consistent with national policy, as set out in the National Planning Policy Framework and the Planning and Compulsory Purchase Act 2004 (as amended).

176 Written evidence from the DfT ([TTS0028](#))

177 [Q 163](#) (Baroness Vere of Norbiton)

Developer contributions

117. We heard that developers should contribute to funding public transport and infrastructure projects related to their developments. In our report *Meeting housing demand*, we raised concerns about the Government's proposals to replace Section 106 agreements and the Community Infrastructure Levy with a new Infrastructure Levy.¹⁷⁸ A concern about the proposed Infrastructure Levy is that the developer contributions will be paid at the point of occupation. This might inhibit the development of transport and infrastructure schemes at the start of projects, by requiring local planning authorities to take on the risk of funding any new transport or infrastructure. Jonathan Manns, then Executive Director of UK and Monaco at Rockwell Property, gave an example to our housing inquiry:

"A new road would be required to make a development acceptable. However, the money for that road would come in only when the tax is paid when the homes are sold ... you are asking local authorities to borrow against anticipated future receipts from a tax, which requires local authorities to make assumptions about what those receipts will be, but also in effect requires them, as opposed to the developer, to carry the development risk for the scheme, which opens up risks such as: what if the developer does not build out the entire site, or what if the values that are achieved are not as were anticipated?"¹⁷⁹

118. **We reiterate our recommendation in our previous report, *Meeting housing demand*, that any system to replace Section 106 agreements and the Community Infrastructure Levy should ensure that the resources raised are spent on delivering affordable homes or necessary infrastructure early in the development and are tied to identified needs. We are concerned that the new Infrastructure Levy could have some of the same disadvantages as the Community Infrastructure Levy.**

Local government resources

119. The Government's proposals to strengthen transport planning will require sufficient resource in local authorities to develop and implement the plans. Witnesses emphasised the lack of transport planning resource in local authorities. CILT warned "Given the squeeze on local authority funding, there are limited opportunities to do much more than maintain services and renew assets."¹⁸⁰ In relation to buses, James Freeman said: "The fragmented nature of local authorities tends to mean that they have very small public transport functions, which have become much smaller with reducing budgets, and their knowledge and understanding of how buses operate has dwindled very dramatically".¹⁸¹ Concerns about a lack of planning resource in local authorities were also a theme of our inquiry on housing.¹⁸² Witnesses such as the Home Builders Federation warned of "chronic under-resourcing

178 Section 106 agreements are legal agreements between Local Authorities and developers that are linked to planning permissions (also be known as planning obligations). The Community Infrastructure Levy is a charge which can be levied by local authorities on new development in their area.

179 Oral evidence taken before the Built Environment Committee, inquiry on Meeting the UK's housing demand, 14 September 2021 (Session 2021–22), [Q 37](#) (Jonathan Manns)

180 Written evidence from the Chartered Institute of Logistics and Transport ([TTS0011](#))

181 [Q 71](#) (James Freeman)

182 Built Environment Committee, *Meeting housing demand* (1st Report, Session 2021–22, HL Paper 132)

and under-staffing” in local planning authorities, causing “discrepancies, administrative errors and additional delays”.¹⁸³

120. The Minister recognised this, saying “My concern has been the hollowing out of dedicated transport resources in local authorities, and it is what we have been putting funding back into.”¹⁸⁴ The Government has spent £62 million on transport capability in local areas through the Capability Fund for active travel, which was designed to “support staffing and resources to draw up infrastructure plans and behaviour change initiatives.”¹⁸⁵ The Minister added that the Department has “a much more supportive relationship with local authorities that are not doing so well.”¹⁸⁶

Central government policy coordination

121. Public transport touches on the work of a number of government departments and agencies, including the Department for Transport; HM Treasury; the Department for Levelling Up, Housing and Communities; the Department for Business, Energy and Industrial Strategy; and the Department of Health and Social Care. Public transport affects a number of core government policy objectives, including levelling up and decarbonisation.
122. Witnesses highlighted a lack of coordination between these departments, and the policies and funding pots which affect public transport decision making. Transport East warned that better integration between departments would be needed to “unblock and accelerate” public transport infrastructure, as decision making is “separated across Government departments which makes the planning and delivery of major transport infrastructure more difficult.”¹⁸⁷
123. Transport North East said that the Government’s approach to decarbonisation of transport:

“deals with emissions from different sectors and sub-sectors in isolation, rather than make connections between them. For example, work to electrify private vehicles is separate from that concerned with greening the bus fleet and from the wider energy infrastructure network.”¹⁸⁸
124. We heard that policies in the Department for Transport were also uncoordinated—for example the approach to the Transport Decarbonisation Plan, National Bus Strategy, and the Gear Change Active Transport Strategy. As Transport for the South East said: “Having separate, unlinked Department for Transport programmes for bus and active travel is challenging for local transport authorities who have to reconcile conflicting demands for buses and/or active travel within finite road space.”¹⁸⁹
125. Some witnesses called for a national cross-modal transport strategy, to set overarching objectives and help inform local plan making. Coventry Council said it would welcome a national strategy setting out key goals and priorities

183 Written evidence from Home Builders Federation ([UKH0044](#))

184 [Q 158](#) (Baroness Vere of Norbiton)

185 [Q 159](#) (Baroness Vere of Norbiton) and DfT, ‘Capability fund: local transport authority allocations’ (30 July 2021): <https://www.gov.uk/government/publications/capability-fund-local-transport-authority-allocations> [accessed 16 August 2022]

186 [Q 158](#) (Baroness Vere of Norbiton)

187 Written evidence from Transport East ([TTS0054](#))

188 Written evidence from Transport North East ([TTS0044](#))

189 Written evidence from Transport for the South East ([TTS0020](#))

across modes.¹⁹⁰ Jonathan Bray, Director of the Urban Transport Group, cautioned against changing strategies and priorities too often, pointing to Switzerland and Germany which have a long-term national strategy.¹⁹¹

126. The Government requires the seven sub-national transport bodies (which were introduced in 2018 and cover all of England apart from London) to develop a transport strategy for their region. The Department said these strategies would form “a framework for a place-based approach which helps government identify transport schemes to invest in. As part of this, the seven sub-national transport bodies are working to turn national priorities into actionable plans for their region.”¹⁹² Martin Tugwell, Chief Executive of Transport for the North, illustrated the risk of too many changes to regional structures, as they can have a destabilising affect and muddy the waters of decision making—he said having seven sub-national transport bodies was the third incarnation of local transport strategy making over the course of his career.¹⁹³

Government policy on cars

127. We heard evidence that targets to reduce private car usage are increasingly common among local authorities. During our visit to Birmingham, Transport for West Midlands told us that meeting the region’s 2041 decarbonisation target would require (over the next 10 years): a 35% reduction in car travel distance; a 50% reduction in the length of all trips; a 100% increase in public transport use; an 800% increase in ‘wheeling’ journeys (bike, scooter etc.); and a 5- to 6-year acceleration in electric vehicle uptake. They added that meeting the national 2050 net zero target would require a 10% reduction in car travel distance by 2031.¹⁹⁴ Transport for West Midlands identified a “preference towards, and perhaps apparent unwillingness to give up, the private car” as the “biggest barrier to improving public transport”: in surveys of the region, 87% of respondents said that their current lifestyle requires them to own a car or van and 94% said that they enjoy the independence which car ownership gives them.¹⁹⁵ Leeds has a stated target of reducing the distance travelled by car by 30%.¹⁹⁶ A report commissioned by the Mayor of London found that London should reduce car vehicle kilometres by 27% by 2030 (relative to 2018 figures) to meet net zero emissions targets.¹⁹⁷ In evidence to the House of Lords Environment and Climate Change Committee, witnesses advised that reductions of between 20% and 30% in miles travelled by car are necessary to meet net zero targets.¹⁹⁸

190 Written evidence from Coventry City Council (TTS0039)

191 Q 111 (Jonathan Bray)

192 Written evidence from the DfT (TTS0028)

193 Q 112 (Martin Tugwell)

194 See Appendix 5.

195 See Appendix 5.

196 Written evidence from Community Rail Network (TTS0066), Transport Scotland, ‘Reducing car use for a healthier, fairer and greener Scotland’, 13 January 2022: <https://www.transport.gov.scot/news/reducing-car-use-for-a-healthier-fairer-and-greener-scotland/> [accessed 12 October 2022] and Leeds City Council, *Connecting Leeds Transport Strategy* (2022): <https://democracy.leeds.gov.uk/documents/s226223/Connecting%20Leeds%20Report%20Appendix%201A%20111021.pdf> [accessed 12 October 2022]

197 Element Energy, *Analysis of a Net Zero 2030 Target for Greater London*, 18 January 2022: https://www.london.gov.uk/sites/default/files/nz2030_element_energy.pdf [accessed 27 October 2022]

198 Oral evidence taken before the Environment and Climate Change Committee, inquiry on mobilising action on climate change and environment: behaviour change, 16 March 2022 (Session 2021–22), Q 85 (Professor Jillian Anable and Chris Boardman)

128. While central government has set targets to reduce congestion and decarbonise transport—including through promoting the purchase of electric vehicles—it has not set a target for a national reduction in private car usage.¹⁹⁹ We heard that central and local government can be reluctant to set explicit targets for reduction in car journeys as this can be unpopular: the Local Government Association said “Government ambitions about increasing public transport use make little sense when HM Treasury freezes fuel duty every year and cuts funding to public transport. This is a political rather than policy problem.”²⁰⁰ The Martin Higginson Transport Research & Consultancy identified: “A significant barrier is the unwillingness of governments, both central and local, to commit to policies that constrain car use.”²⁰¹
129. The Government has, however, committed to ending the sale of new petrol and diesel cars by 2030.²⁰² To encourage a switch to electric vehicles, the Government has supported various discount schemes for the purchase of hybrid and battery-powered motor vehicles since 2011. The electric vehicle discount currently stands at 35% of the cost of a new plug-in car, capped at £1,500. In addition, the Government has discount schemes for electric vehicle chargepoints for homeowners, businesses and local authorities.²⁰³
130. The Minister told us there was no set target for a reduction in car journeys, stating: “The Government’s position is very much that we should provide different types of modes of transport in urban areas such that people have a good and viable choice, whether that is for cycling and walking or public transport.”²⁰⁴ She described some of the drawbacks of electric vehicles and cars more widely: “Electric vehicles have tyres, and tyre wear is a very important contributor to particulate matter and so poor air quality. They can also create noise from the tyres, and, of course, there is the impact on congestion and in the public realm.”²⁰⁵
131. **The inquiry reports a consensus among experts and policymakers that a reduction in trips by private car of the order of 30% is needed to help meet net zero targets. However, there are various contributing sets of evidence that point to different conclusions and, as yet, there is no target recommended by Government. The Government’s policy of promoting the use of electric cars will help work towards net zero, although electric cars would still contribute to congestion and pollution from tyres and brakes.**
132. **While the Government does not have an official, national target for a reduction in car journeys, some local authorities have adopted local targets for their areas. The Government should provide a clear statement of its policy on journeys made by car, as it has for active travel, bus and rail journeys.**

199 DfT, *Transport decarbonisation plan* (14 July 2021): <https://www.gov.uk/government/publications/transport-decarbonisation-plan> [accessed 1 November 2022]

200 Written evidence from the Local Government Association (TTS0043)

201 Written evidence from Martin Higginson Transport Research & Consultancy (TTS0027)

202 This commitment was made in 2020: DfT, ‘Government takes historic step towards net-zero with end of sale of new petrol and diesel cars by 2030’, 18 November 2020: <https://www.gov.uk/government/news/government-takes-historic-step-towards-net-zero-with-end-of-sale-of-new-petrol-and-diesel-cars-by-2030> [accessed 12 October 2022]

203 EDF, ‘Government grants for electric cars’: <https://www.edfenergy.com/electric-cars/government-grants> [accessed 12 October 2022]

204 Q 156 (Baroness Vere of Norbiton)

205 Q 156 (Baroness Vere of Norbiton)

Road space

133. We heard that the allocation of road space was key to building public transport systems that work. For example, in many cases bus services will be attractive for users only if they have some priority over the rest of the traffic and are, therefore, able to compete with undertaking the journey by car.²⁰⁶
134. Improvements to cycle networks can have the unintended consequence of increased congestion for buses and cars. James Freeman noted: “At the moment, to favour the cyclist—because that is where the money and focus are—public buses have found themselves back in the queue, and the bus service becomes unreliable and slow as a result.”²⁰⁷
135. The Urban Transport Group said with road space there is a need to reconcile many, often conflicting, requirements from central government: “from bus priority to cycle lanes, from climate resilience to deterring terrorist attacks and from accommodating e-scooters to walkable neighbourhoods.” They added: “Conflicting demands are made more difficult to manage not only by the limited available road space, but also the severe constraints on local government resources.”²⁰⁸ This issue is compounded by the lack of government coordination on funding streams. In Graham Vidler’s words:
- “Over the last couple of years, local authorities received funding for active travel before getting it for buses. That meant in some cases—by no means all—they invested in temporary bike lanes, which in some cases removed bus lanes altogether and in other cases interfered with their operation.”²⁰⁹
136. James Freeman said:
- “There have been a number of circumstances across the UK where buses have found themselves pushed back into the general traffic and a lane created for bicycles. I am all in favour of cycling ... but that has worsened the bus operation ... The difficulty is that, if you do not think about the whole offer, those sorts of things will happen.”²¹⁰
137. The Minister informed us of plans for metro mayors outside London to be responsible for ‘red routes’—the busy travel corridors in their areas—mirroring the responsibilities of the Mayor of London.²¹¹ This could help deliver a more coordinated approach to those specific routes and ease congestion.
138. **An uncoordinated approach to public transport policymaking in Whitehall has left local areas with often irreconcilable targets—for example on allocating road space to bicycles and buses. This can be a drain on resources in local transport authorities, an inefficient use of road space, and can cause delays and congestion.**

206 [Q 5](#) (Stephen Joseph), written evidence from the Local Government Association ([TTS0043](#)) and [Q 75](#) (James Freeman)

207 [Q 75](#) (James Freeman)

208 Written evidence from Urban Transport Group ([TTS0016](#))

209 [Q 20](#) (Graham Vidler)

210 [Q 75](#) (James Freeman)

211 [Q 166](#) (Baroness Vere of Norbiton)

CHAPTER 6: FUNDING AND APPRAISAL

139. Part of the challenge facing central and local government is to determine how public funding for public transport should be allocated and spent. This chapter looks at funding for public transport, including investment in different modes and how funding allocation processes can be improved. We then consider how funding bids are appraised and the effectiveness of post-scheme evaluation.

Funding

Light rail, very light rail and bus rapid transit

140. We heard that many local transport authorities are considering how to increase public transport capacity and frequency for the high-demand routes on their networks. In this section, we consider the advantages and disadvantages of three options to meet this demand—light rail, very light rail (which is under development) and bus rapid transit.

Light rail (trams)

141. There are eight light rail systems in England: Nottingham Trams; West Midlands Metro; Sheffield Supertram; Tyne and Wear Metro; Manchester Metrolink; Blackpool Tramway; Docklands Light Railway; and London Tramlink. English cities such as Leeds, Liverpool and Southampton are among the largest urban centres in Europe without light rail systems in place.²¹²
142. Light rail has been shown to attract more affluent passengers who are less likely use bus services. While this trend is widely observed, it is not clear why this is the case. Research by WMG found that 30% of tram users in Nottingham switched from cars, and 29% of Metrolink users in Manchester would use a car for their journey if the tram service was not available.²¹³ Pauline Cassette, Transport and Mobility Director at SIMOUV, said that in France trams are viewed as an urban regeneration tool as well as a transportation link, adding that the tram in Valenciennes has succeeded in meeting its goal of improving the urban quality of the city and encouraging development in new suburbs.²¹⁴ Trams often also have a higher capacity than buses.
143. Tram services come at a significant cost, particularly in areas where there are no tracks already in place. Phil Southall suggested that proposals for a light rail service in Oxford would have cost £34 million per mile to construct. He said: “When you evaluated what you could do with a bus network for that level of funding, there was much more of a business case to invest in and improve the bus network”.²¹⁵
144. However, the Oldham and Rochdale railway line in Greater Manchester was converted from heavy rail into a Metrolink (light rail) service in the early 2010s. The number of passengers carried on those lines is now six times higher than on the previous heavy rail services. Andy Burnham said: “That says something about the convenience, ease and accessibility of the tram,

212 Written evidence from Martin Higginson Transport Research & Consultancy ([TTS0027](#)). Merseyrail perhaps plays a similar role in Liverpool.

213 Written evidence from WMG, University of Warwick ([TTS0055](#))

214 [Q 91](#) (Pauline Cassette)

215 [Q 19](#) (Phil Southall)

stopping in more places. Of course, that can cause a longer journey, but it means that many more people can access public transport much more easily.”²¹⁶ He also said the frequency, accessibility and street-level access of the tram was a significant pull factor for users.

Very light rail

145. We heard from Coventry City Council and WMG about the experimental research and development project to deliver a ‘very light rail’ scheme which is under development in Coventry.²¹⁷ The very light rail technology under development combines a battery-electric lightweight train with an innovative trackform which minimises the requirement for deep excavation and the repositioning of services. This means the system can be installed more quickly than a tram. WMG said that the costs for installation are expected to be £10 million per kilometre, compared with the typical costs of £25 million to £30 million per kilometre for a tram system.²¹⁸ Testing is underway on a newly developed test track in Dudley.²¹⁹
146. The first proposed very light rail route will connect Coventry city centre to the University Hospital (a 4.5-mile route). Coventry Council aims to apply for a Transport and Works Act Order in 2022, for construction to begin in 2024 and the first route to be operational in 2025. In the longer term, there are plans to develop a complete network of routes with the aim of providing residents with a fast, frequent connection to various major employment centres and transport hubs. There is an ambition for the very light rail vehicle to operate autonomously by 2030, although a driver will be required initially. Coventry City Council anticipates that other small cities may eventually wish to develop their own very light rail networks.²²⁰

Figure 3: Very Light Rail prototype, Coventry



Source: Coventry City Council

216 **Q 116** (Andy Burnham)

217 Written evidence from Coventry City Council ([TTS0065](#)) and WMG, University of Warwick ([TTS0055](#))

218 Written evidence from WMG, University of Warwick ([TTS0055](#))

219 Railway Technology, ‘Coventry’s very light solution approaches’, 30 June 2022: <https://www.railway-technology.com/analysis/coventrys-very-light-solution-approaches/> [accessed 17 August 2022]

220 Written evidence from Coventry City Council ([TTS0039](#))

147. While light rail schemes appear to be more effective at generating modal shift from the car than bus-based schemes, their high costs mean that they are unaffordable in many areas. If effective, the very light rail system under development in Coventry has the potential to overcome this disadvantage. The Government should monitor the trials of this pilot system to assess its effectiveness in achieving the advantages of light rail with reduced capital outlays, with a view to providing further support.

Bus rapid transit

148. 'Bus rapid transit' is a term used to describe a wide range of bus-based transportation systems. There is debate on what qualifies as bus rapid transit, but it is widely accepted that it bridges the gap between an ordinary bus service and a light rail system. Bus Rapid Transit UK highlighted the following characteristics of successful bus rapid transit systems: segregation from other road traffic; flexibility, allowing different bus services to meet changing demand; priority at intersections; high-quality infrastructure; and smart ticketing.²²¹ Bus rapid transit systems in operation include the Leigh–Salford–Manchester Bus Rapid Transit, the Cambridgeshire Guided Busway, the Belfast Glider and the Runcorn Busway.

Box 8: Belfast Glider

The Belfast Rapid Transit Glider is designed to improve the efficiency of mass transit in the city by connecting east and west Belfast and the Titanic Quarter via the city centre. The service is operated by Translink. There are two routes, and the busways total 15.2 miles (24.5 km) using both dedicated bus lanes and mixed traffic lanes. The Northern Ireland Department for Infrastructure invested £90 million in the Belfast Glider, construction started in 2014 and the system opened in late 2018. During its first year of operation, the service generated more than two million additional passenger journeys than previous bus services along the same route.

Source: Smart Belfast, 'Belfast Glider buses boost passenger numbers': <https://smartbelfast.city/story/belfast-rapid-transit-glider-service/> [accessed 17 August 2022]

Figure 4: Belfast Rapid Transit Glider system



Source: WakefulNI, 'Glider Belfast': https://commons.wikimedia.org/wiki/File:Glider_Belfast_no._3206.jpg [accessed 1 November 2022] (CC BY-SA 4.0)

149. Witnesses told us that the advantages of a bus rapid transit system compared with ordinary buses include the ability to reduce congestion through segregation, faster journey times and attracting passengers who may not otherwise use bus services. The advantages of a bus rapid transit system compared to a light rail system include the flexibility to adapt services, reduced installation and running costs, and faster completion times, as there is no need to move utilities or dig up the road network. James Freeman said: “Bus rapid transit offers the opportunity to do something that does not cost quite so much [as a tram] but can do quite a lot of the same things.”²²²
150. There are plans to introduce a number of new bus rapid transit systems in the UK. These include the West Midlands Sprint, a proposed limited-stop service with dedicated bus lanes, with a total of seven routes to be operational by 2026; and the Coventry Sprint, a proposed 19-mile route, around one third of which would be segregated from other road users. Plans for a bus rapid transit system in Leeds were abandoned in 2016 after the planning inspector said the local transport authority had failed to show how the benefits of the system would outweigh the damage caused by construction of the route.²²³
151. Although not as expensive as light rail, bus rapid transit schemes are costly. James Freeman said “they are still enormously expensive. The Bristol scheme, metrobus, was £230 million, for a very limited scheme”.²²⁴ He also referred to the complexities of running a bus rapid transit system when there are multiple operators, highlighting the Runcorn Busway as an example where this has worked less well, because the timetables and fares are deregulated and uncoordinated.²²⁵
152. **In some cases, bus rapid transit schemes can provide the benefits of reliability and priority of a light rail system at a lower cost and with more flexibility. The Government should undertake robust post-project evaluation of bus rapid transit schemes to assess the extent to which they provide comparable levels of service to light rail, with a view to providing further support.**

Overall levels of funding

153. Many witnesses felt that overall levels of funding for public transport services were not sufficient to meet the Government’s ambitions. The Urban Transport Group said:
- “Although there has been Government investment in urban transport ... the current level is insufficient given the scale of its aspirations for comprehensive modal shift to public transport and active travel, and the current starting point (including historic underinvestment in urban mass transit, low levels of cycling and a declining bus network).”²²⁶
154. Transport for West Midlands told us: “In order to enhance our public transport offering and provide a better level of connectivity, government may need to provide a consistent increase in subsidies.”²²⁷

222 Q 72 (James Freeman)

223 ‘Not suitable for development: Leeds trolleybus scheme is thrown out’, *Yorkshire Evening Post* (12 May 2016): <https://www.yorkshireeveningpost.co.uk/news/politics/not-suitable-development-leeds-trolleybus-scheme-thrown-out-620369> [accessed 17 August 2022]

224 Q 73 (James Freeman)

225 *Ibid.*

226 Written evidence from Urban Transport Group (TTS0016)

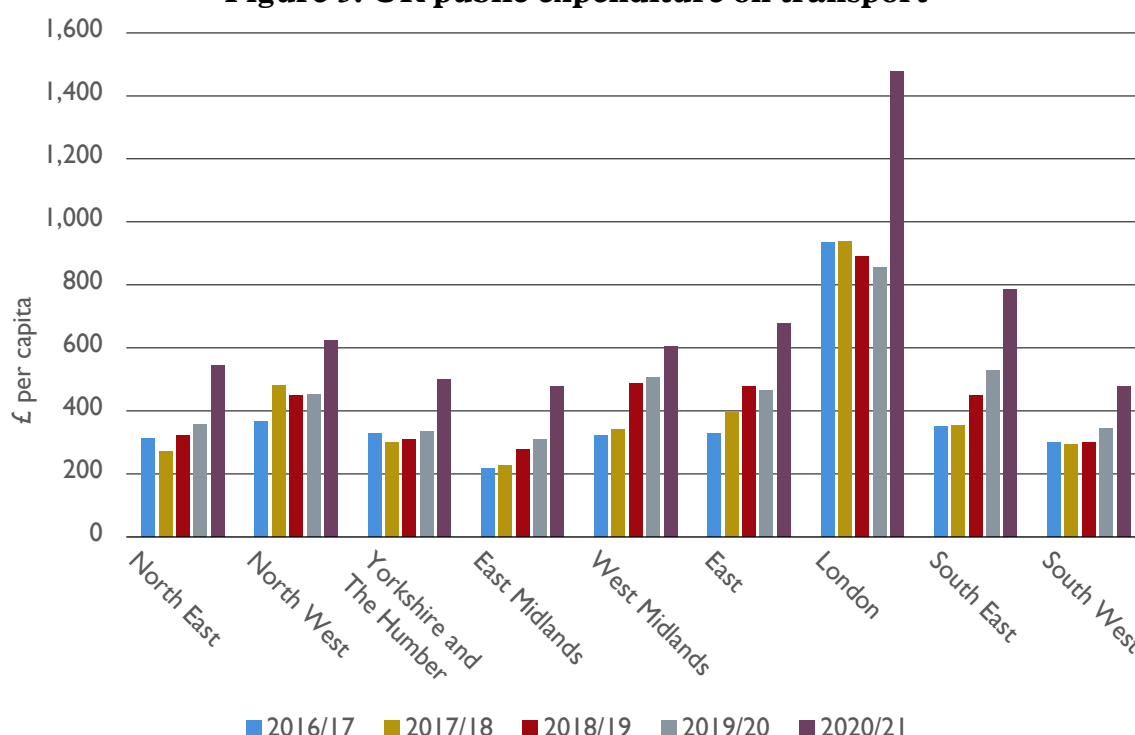
227 Written evidence from Transport for West Midlands (TTS0032)

155. Dr Erich Forster, Former Chief Executive Officer at WESTbahn and Rail Holding AG and Chair of AllRail, believed it is “impossible” to cover the costs of a well-functioning public transportation network without public subsidy, adding that even before the COVID-19 pandemic public transport in Vienna was heavily subsidised. He said: “looking at public transport costs is a very specific way of analysing what central government or city government is doing, because you also have costs for using cars and for building and repairing streets, which you never look at in the same way”.²²⁸

Levelling up

156. As mentioned previously, the Levelling Up White Paper (published in February 2022) set the ambition that: “local public transport connectivity across the country will be significantly closer to the standards of London, with improved services, simpler fares and integrated ticketing”.²²⁹
157. Spending on London’s public transport system is significantly higher per capita than spending in the rest of England. Phil Southall told us: “In London, the [annual] spend on buses is £73 per head of population. Outside London, it is £27 per head”, adding “if we are to get London-quality of service, will require an extra £2.2 billion a year”.²³⁰ Figure 5 shows the regional differences in government funding for all modes of public transport (including both operational and capital funding).²³¹

Figure 5: UK public expenditure on transport



Source: HM Treasury, *National statistics: Country and regional analysis: November 2021* (24 November 2021): <https://www.gov.uk/government/statistics/country-and-regional-analysis-2021/country-and-regional-analysis-november-2021> [accessed 1 November 2022]

228 Q 92 (Dr Erich Forster)

229 HM Government, *Levelling Up: Levelling Up the United Kingdom*

230 Q 16 (Phil Southall)

231 Figures for 2020–21 are atypical because of a large increase in subsidies for public transport as a result of passenger numbers falling because of the covid-19 pandemic. HM Treasury, *Country and regional analysis: 2021* (24 November 2021): <https://www.gov.uk/government/statistics/country-and-regional-analysis-2021> [accessed 17 August 2022]

158. Witnesses raised the concern that assessments for funding projects by HM Treasury using the ‘Green Book’ prioritise investment in areas that will create maximum return on investment, which encourages investment in already dense, high-income areas, such as London and the South East.²³² In March 2022, HM Treasury updated the ‘Green Book’ to place greater emphasis on the strategic case for a project, with the aim of overcoming this assessment bias towards London and the South East.²³³ When asked, the Minister confirmed “there is no levelling-up metric per se, because levelling up can mean lots of different things ... [It] comes down to the strategy and how [that] integrates with other transport schemes but also with a spatial plan in a particular local area.”²³⁴
159. **We welcome the Government’s commitment in the Levelling Up White Paper to developing local public transport across the country to bring it “significantly closer to the standards of London”. We are concerned, however, by the disparity in levels of funding between local transport in London and other major conurbations. The Government has recently committed to a number of new funding streams for public transport. After the Chancellor’s autumn statement on 17 November, we intend to revisit this issue to examine current and future spending on public transport at a regional level and consider the inequalities. We will write to the Government setting out our recommendations on this matter before the end of the year.**

Bus funding

Funding during the pandemic

160. Public funding for bus services is comprised of revenue funding and capital funding. From April 2020 to October 2022, the Government provided £2 billion in revenue funding for bus operators via the COVID-19 Bus Services Support Grant to keep services running while passenger numbers dropped during the pandemic.²³⁵ In most areas, this emergency revenue funding was due to come to an end in October 2022. In August, the Government announced additional recovery funding of up to £130 million to support bus services in local communities for a further six months, until March 2023.²³⁶
161. The end of recovery funding for bus services will affect operators’ abilities to make some services viable and, given funding shortages, in many cases local transport authorities have not been able to fill the gap. Graham Vidler warned of a potential “£350 million funding gap for the next financial year. The consequences of that could be that bus operators are forced to reduce services by up to 30%, and it will vary widely between places”.²³⁷ Transport for the South East told us “Local transport authorities are by no means resourced to fill that revenue gap—especially not to subsidise even more

232 For example, written evidence from Coventry City Council ([TTS0039](#))

233 HM Treasury, *The Green Book 2022* (30 March 2022): <https://www.gov.uk/government/publications/the-green-book-appraisal-and-evaluation-in-central-government/the-green-book-2020> [accessed 17 August 2022]

234 [Q 155](#) (Baroness Vere of Norbiton)

235 DfT, ‘£130 million to protect bus services across the country’, 19 August 2022: <https://www.gov.uk/government/news/130-million-to-protect-bus-services-across-the-country> [accessed 1 November 2022]

236 *Ibid.*

237 [Q 11](#) (Graham Vidler)

services that used to be run commercially”, adding “There is a real risk of extensive service withdrawals from local bus networks over the next few months.”²³⁸

162. In light of this, the Government has instructed local transport authorities and operators to review the sustainability of the services in their networks. Under the pandemic funding scheme, the Department for Transport required operators to keep at least 90% of services running. This was cut to 80% at the end of September 2022. The Minister told us 80% “is a limit, not a target. We do not want things to go down to 80%, and in some areas they will not need to. The point is that we must establish what our steady-state, financially sustainable bus service looks like in each local authority.”²³⁹ While no comprehensive data on service cuts is available, reports suggest that a number of routes are still being cut across England despite the extension to the pandemic funding. For example, in October, 18 bus routes were withdrawn in Cambridgeshire;²⁴⁰ 18 bus routes were cut in the Bristol area;²⁴¹ and a number of services have been withdrawn in South Yorkshire.²⁴²
163. The Minister told us that through the reforms in the National Bus Strategy, “Local authorities have a lot more power than they had previously in holding operators to account and encouraging them to take a network perspective rather than an individual profitability-by-route perspective.”²⁴³ The National Audit Office, however, has said that “New powers for local authorities to take greater control over bus services have made little difference against a background of wider funding pressures.”²⁴⁴
164. The Institution of Civil Engineers said:

“There is a risk that any ongoing reduction in passengers post-COVID-19 initiates a spiral of decline whereby lower revenues force operators to cut services or increase fares and public transport becomes both less attractive and less affordable. Such a deterioration in the quality of transport networks would undo years of progress in improving passenger numbers, reliability and journey satisfaction”.²⁴⁵
165. **The end of the emergency pandemic funding for bus services could lead to reductions in bus services of around 20% from March 2023. This would have a detrimental effect on users, and risks hitting the areas most in need of further economic development hardest. The Government must take action to ensure that the provision of a good standard of bus services is maintained: there is a risk that cutting services could lead to a downward spiral of steadily reducing demand.**

238 Written evidence from Transport for the South East (TTS0020)

239 Q 157 (Baroness Vere of Norbiton)

240 BBC News, ‘Bus cuts: ‘I will have no way to get to college’’, 8 October 2022: <https://www.bbc.co.uk/news/uk-england-cambridgeshire-63176875> [accessed 27 October 2022]

241 The Bristol Cable, ‘Calls for West of England mayor to step in as bus service cuts bite’, 8 September 2022: <https://thebristolcable.org/2022/09/calls-west-of-england-mayor-step-in-bus-service-cuts-bite/> [accessed 27 October 2022]

242 Travel South Yorkshire, ‘Changes to bus, tram and train services in South Yorkshire’, 27 October 2022: <https://www.travelsouthyorkshire.com/en-GB/LandingPage/service-changes> [accessed 27 October 2022]

243 Q 157 (Baroness Vere of Norbiton)

244 National Audit Office, *Improving local bus services in England outside London* (2 October 2020): <https://www.nao.org.uk/wp-content/uploads/2020/10/Improving-local-bus-services-in-England-outside-London.pdf> [accessed 17 August 2022]

245 Written evidence from the Institution of Civil Engineers (TTS0035)

Revenue funding

166. The revenue funding streams for bus services comprise of:
- farebox revenue, i.e. ticket sales;
 - central government subsidy, through the Bus Service Operators Grant (discussed below); and
 - local authority support.
167. In the last full financial year before the pandemic (2018–19) bus operators received £3.4 billion in revenue from bus services across England outside London. Of this, fare-paying passengers generated 59% and the remaining 41% was public money.²⁴⁶
168. Unlike rail and aviation operators, bus operators pay fuel duty. In order to recover part of that duty, bus operators receive a grant from the Department for Transport, the Bus Service Operators Grant, which is paid in advance to operators of eligible bus services. Its aim is to benefit passengers by helping operators keep fares down and maintain services that might otherwise be unprofitable.²⁴⁷
169. Local authorities also provide revenue support for buses, to support local services that are essential to those who rely on them but are expensive to tender and generate little revenue. Local authority support for these services was declining before the pandemic: from £425 million in 2010–11 to £264 million in 2018–19, a fall of 38% in real terms. The National Audit Office said: “This is in line with a wider reduction of around 40% in total local transport spending and is similar to reductions in local government spending on other non-statutory services.”²⁴⁸

Capital funding

170. Funding for public transport improvements largely comes from central government. As the National Audit Office concluded, “One of the Department’s main levers for influence at local level is its provision of short-term capital funding pots to fund specific improvements”.²⁴⁹ This funding is usually allocated on the basis of competitive bids by local authorities. Recent funding rounds have included the Bus Service Improvement Plans, the Zero Emission Bus Regional Areas (ZEBRA) scheme (£270 million) and the Active Travel Fund (£2 billion).

Short-term funding cycles

171. Witnesses raised a concern that too much central government capital funding, particularly for buses and active travel, is allocated on the basis of short-term competitive bids. Some instead called for longer term, five-year funding settlements, akin to the funding available for rail and road improvements. Phil Southall told us: “When you are trying to make a holistic change of trying to join things together to achieve the outcomes that the

246 National Audit Office, *Improving local bus services in England outside London* (2 October 2020): <https://www.nao.org.uk/wp-content/uploads/2020/10/Improving-local-bus-services-in-England-outside-London.pdf> [accessed 17 August 2022]

247 *Ibid.*

248 *Ibid.*

249 *Ibid.*

Local Transport Plan wants to achieve, funding arriving in different buckets is not helpful.”²⁵⁰

172. Witnesses told us that longer-term funding could enable local areas to take a more strategic approach. Martin Tugwell said that allowing local transport authorities to have longer-term funding with more leverage over decision making would increase accountability: “It allows politicians nationally, regionally and locally to have a much more transparent conversation with their communities about what is possible and what is achievable in the particular timescales.”²⁵¹
173. The Commons Transport Committee, National Audit Office and National Infrastructure Commission have all called for longer-term funding for public transport outside London.²⁵² The National Infrastructure Commission concluded in September 2021:

“The multiple funding streams that exist today tend to be short term, ringfenced and often require rounds of competitive bidding. Central government needs to simplify these funding streams and provide those county councils and unitary authorities that are responsible for strategic transport planning with devolved five-year budgets for local transport. Failure to empower local authorities to deliver local infrastructure will lead the Government to fail in its levelling up goals.”²⁵³
174. In 2021, the Government announced the City Region Sustainable Transport Settlement scheme, which will provide five-year capital funding settlements for eight large metropolitan regions in England from 2022–23, totalling £5.7 billion (see table 1). Funding was allocated on a competitive basis, following submissions of plans by the regions and is aimed at improving local rail networks, tram services and buses in urban areas. It combines new and existing funds, including Highways Maintenance, Integrated Transport Block and the final year of the Transforming Cities Fund.²⁵⁴ A number of witnesses welcomed the five-year term for this funding. The Department for Transport said the scheme was designed to implement recommendations made by the National Infrastructure Commission.²⁵⁵ While welcoming the overall move to five-year funding, Martin Tugwell said “there [are] a heck of a lot of strings attached ... It is not quite as clear-cut as we were hoping.”²⁵⁶

250 Q 20 (Phil Southall)

251 Q 113 (Martin Tugwell)

252 National Audit Office, *Improving local bus services in England outside London* and National Infrastructure Commission, *Infrastructure, Towns and Regeneration* (September 2021): <https://nic.org.uk/studies-reports/infrastructure-towns-and-regeneration/infrastructure-towns-regeneration-final-report/> [accessed 17 August 2022]

253 National Infrastructure Commission, *Infrastructure, Towns and Regeneration*

254 Written evidence from the DfT (TTS0028)

255 *Ibid.*

256 Q 106 (Martin Tugwell)

Table 1: City Region Sustainable Transport Settlement funding allocations

Area	City Region Sustainable Transport Settlement funding allocation
Greater Manchester	£1.07 billion
West Midlands	£1.05 billion
West Yorkshire	£0.83 billion
Liverpool City Region	£0.71 billion
South Yorkshire	£0.57 billion
West of England	£0.54 billion
Tees Valley	£0.31 billion

Source: DfT, *City Region Sustainable Transport Settlements: confirmed allocations* (4 April 2022): <https://www.gov.uk/government/publications/city-region-sustainable-transport-settlements-confirmed-allocations> [accessed 1 November 2022]

Competitive bidding for funding

175. Central government capital funding for public transport is usually allocated following competitive bidding from local transport authorities. Witnesses told us that the process of bidding is costly and resource intensive. The Urban Transport Group told us: “This is an inefficient way of funding local transport, with millions wasted in putting failed bids together, as well as creating peaks and troughs in spending which makes projects more expensive.”²⁵⁷ Martin Tugwell thought that “It is not an efficient way to plan transport because you get feast and famine as transport authorities have to put resources into competitions that could pop up at any time”, adding that it would be easier for the public sector to leverage funding from the private sector if there was more certainty about funding.²⁵⁸
176. When asked about the case for reducing the proportion of funds requiring competitive bidding processes, the Minister said “If all bids were universally fabulous, there would absolutely be a case ... They are not. I have mentioned Bus Service Improvement Plans. I could mention ZEBRA ... Some of the bids were not good enough.” She told us “bidding will continue, because we are looking for the best projects. It is a cost of doing business for local authorities.”²⁵⁹
177. Some areas tend to be more successful in bidding processes than others. The Minister acknowledged the risk that some areas get ‘left behind’ in terms of transport capital funding, stating that “the better local authorities do better bids and win more often.”²⁶⁰ As an example, over £1 million was spent on bidding processes for the Transforming Cities Fund, a £2.45 billion capital grant transport fund running from 2017 to 2021.²⁶¹ Some of the local authorities losing out on these bids are in areas the Government has identified as needing to be ‘levelled up’.

257 Written evidence from Urban Transport Group ([TTS0016](#))

258 [Q 106](#) (Martin Tugwell)

259 [Q 161](#) (Baroness Vere of Norbiton)

260 *Ibid.*

261 [Q 106](#) (Martin Tugwell)

178. The Minister argued that this issue could be addressed through better transport planning: “I would ideally like to get to a stage where we end up with better Local Transport Plans, which we will if the local authority has taken the time to identify the sorts of things they would want to invest in.”²⁶² To support this, the Government is providing each of the Mayoral Combined Authorities with a share of £50 million of capacity funding in 2022–23 to enable them to develop “integrated, investment-ready” transport plans.²⁶³ The Minister said there will be a role for bidding “for the big amounts where we still need to maintain an element of check-in and sign-off”.²⁶⁴
179. Some funding streams are not available to towns and cities that are outside a Mayoral Combined Authority. The Local Government Association told us: “Government must be more ambitious on funding for the rest of the country not covered by Mayoral Combined Authorities.”²⁶⁵

Bus Service Improvement Plans

180. The Government announced “£5 billion of new funding to overhaul bus and cycle links for every region outside London” in February 2020, with an aim to improve the frequency of services, introduce more bus priority schemes, buy new zero-emission buses, and reduce fares.²⁶⁶ Following an announcement of £2 billion for active travel in May 2020,²⁶⁷ this left £3 billion for bus services. When the National Bus Strategy was published in March 2021, the Prime Minister’s foreword said “Last year, we announced £3 billion of new funding to level up buses across England towards London standards. This strategy describes how we will use that money.”²⁶⁸ In April, following publication of the strategy, the Department for Transport asked the 79 local transport authorities to develop bids to fund their bus service improvements plans, with a deadline of October 2021. The £3 billion of funding that was made available was oversubscribed, with 53 of the 79 bus service improvement plans requiring funding, and the total ask estimated to be over £7 billion.²⁶⁹
181. In a letter to local transport authority directors on 11 January 2022, the Department for Transport is reported to have said that available funding under the strategy was to be reduced to £1.4 billion, and “hard choices” will follow for areas that expected more funding, with prioritisation “inevitable, given the scale of ambition across the country greatly exceeds the amount”.²⁷⁰ The allocated funding of £1.4 billion is half the £3 billion of

262 Q 161 (Baroness Vere of Norbiton)

263 Written evidence from the DfT (TTS0028)

264 Q 161 (Baroness Vere of Norbiton)

265 Written evidence from the Local Government Association (TTS0043)

266 DfT, ‘Major boost for bus services as PM outlines new vision for local transport’, 10 February 2020: <https://www.gov.uk/government/news/major-boost-for-bus-services-as-pm-outlines-new-vision-for-local-transport> [accessed 17 August 2022]

267 DfT, ‘£2 billion package to create new era for cycling and walking’, 9 May 2020: <https://www.gov.uk/government/news/2-billion-package-to-create-new-era-for-cycling-and-walking> [accessed 17 August 2022]

268 DfT, *Bus Back Better: National Bus Strategy for England* (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 [accessed 17 August 2022]

269 Q 13 (Phil Southall)

270 ‘Boris Johnson’s ‘bus back better’ plan in tatters as Treasury cuts funding by half’, *The Guardian* (23 January 2022): <https://www.theguardian.com/politics/2022/jan/23/boris-johnsons-bus-back-better-red-wall-levelling-up-treasury-cuts-funding> [accessed 1 November 2022]

funding announced, which itself was half of what local transport authorities requested.

182. The Minister told us: “It is not the case that the £3 billion has somehow disappeared or changed.” She provided a breakdown: “Bus Service Improvement Plans—about £1.1 billion; Zero-emission buses [ZEBRAS]—£525 million; bus funding in City Region Sustainable Transport Settlements for the Mayoral Combined Authorities—£780 million; and other funding of £196 million, which includes Cornwall Superbus, the rural mobility fund, capability and capacity funding; and COVID-19 emergency and recovery funding of £419 million. That takes us to £3 billion”.²⁷¹ Andy Burnham said “When we saw the bus service improvement plan funding come through, it did not meet the levels that we had been led to believe we would receive. It was quite haphazard.”²⁷²
183. **The system of competitive bidding for transport funding can be a drain on limited resources and there is evidence that it favours larger authorities with more skills and expertise. We also heard that the need to bid repeatedly for separate pots of funding inhibits long-term, strategic transport planning. The Government should examine the feasibility of transferring to a system of periodic block grants. Wherever bidding processes remain in place, they should be simplified to reduce the burden on local authority resources.**
184. **After asking local transport authorities to be ‘ambitious’ in their Bus Service Improvement Plans, the Government provided £1.2 billion of funding. This is less than half the £3 billion local authorities were expecting, with £419 million of the original funding diverted to maintaining bus services during the pandemic. It is difficult to see how local transport authorities and operators will be able to meet the ambitions and objectives of the National Bus Strategy within these funding constraints.**

Appraisal and evaluation

185. After funding has been allocated and spent, the Department for Transport and HM Treasury carry out post-scheme evaluation, checking whether funding objectives have been met. This section considers the effectiveness of the Government’s approach to appraisal and evaluation.

Appraisal processes

186. Irrespective of the mode (or modes) of transport, witnesses highlighted the need for a robust, consistent and transparent process for assessing which intervention will deliver the greatest benefits. This requires an effective scheme appraisal process. We heard that the Minister relied on such assessments when making funding decisions, for example:

“If Leicester wants a tram, or any mass transit system, it is very welcome to develop one according to the business case model set out by the Treasury. Within that, you have value for money. How do you do your benefit–cost ratio and your value for money? That is where a large number of interventions come in in all the different categories, whether it is travel time saving, air quality, noise, carbon—all the things that go

271 [Q 158](#) (Baroness Vere of Norbiton)

272 [Q 115](#) (Andy Burnham)

into your benefit–cost ratio calculation—which are then overlaid by the qualitative elements that give you your value for money.”²⁷³

187. These appraisal processes are particularly important given that decision-makers may be heavily reliant on their outputs. Witnesses informed us that the Government has a long-established and comprehensive procedure for appraising transport schemes in the form of Transport Analysis Guidance, which is rooted in HM Treasury’s ‘Green Book’. Professor John Preston told us that there are “plenty” of benefit–cost ratios which show that projects bring significant benefits, such as typical bus priority schemes which “might be expected to have social benefits of around three to every one unit of cost.” He added the caveat that there may be a reduction in the net positivity score of projects “given the broadly 20% contraction in the public transport market as a result of COVID-19. Whether that is a long-term phenomenon we will need to see”.²⁷⁴ Professor John Preston said the evaluation process “is quite costly and there are concerns about ‘paralysis by analysis’”.²⁷⁵
188. We heard that appraisal processes may not always favour the most appropriate schemes, particularly if they give insufficient consideration to social costs and benefits, including those which are hard to quantify (such as health or mobility benefits). Padam Mobility said: “There are many ‘devils in the detail’ of transport planning which disproportionately throttle funding for public transport and active travel”, and “Large scale projects such as rapid transit networks are required to show unreasonably high benefit–cost ratios, often based on pessimistic assumptions of future passenger numbers.”²⁷⁶
189. In some cases local transport authorities are given limited feedback from central government on unsuccessful bids. We heard from South Yorkshire Mayoral Combined Authority, which was not awarded any funding for its £474 million Bus Service Improvement Plan bid. The Department for Transport said “areas not showing sufficient ambition” would not receive funding under the scheme. Stephen Edwards, Corporate Director of Public Transport at the South Yorkshire Mayoral Combined Authority, said: “We have had some feedback, but it is fairly limited on the aspects that were not considered strong in our bid”, adding “I have spent a bit of time looking at the bids from some of the other metropolitan areas that are similar. I am a little unclear about what degree of ambition we would have needed to show to get over that hurdle.”²⁷⁷
190. **Central government communication of the appraisal process, including to local transport authorities, must be improved. The Government should routinely be providing unsuccessful regions with feedback on their applications and providing support to areas which are struggling to secure funding. This should give stakeholders more confidence that the results of this process are justified.**

Evaluation

191. The Department for Transport’s processes for post-scheme evaluation are in place to determine the extent to which schemes in receipt of central

273 [Q 160](#) (Baroness Vere of Norbiton)

274 [Q 126](#) (Professor John Preston)

275 *Ibid.*

276 Written evidence from Padam Mobility ([TTS0023](#))

277 [Q 141](#) (Stephen Edwards)

Government funding have delivered their intended outcomes. The Minister said evaluation was an emerging Government priority:

“Historically, potentially we have not done as much as we could have done on valuation and checking deliverability. It was a sort of ‘Here’s the money. Off you go’. That is fine, but it is a bit too much devolve and forget. We have to make sure that we go back to the areas and say, ‘Okay, but have you done it? Have you really delivered what you said you would?’ That is what we are very much focused on now.”²⁷⁸

192. The Department for Transport published updated guidance on evaluation in June 2022, following a requirement from the Cabinet Office and HM Treasury Evaluation Task Force to publish an evaluation strategy.²⁷⁹ We heard there was a lack of published evidence on the extent to which many allocations of government funding have succeeded in achieving their expected outcomes.
193. In its report *Evaluating Government Spending*, published in 2021, the National Audit Office concluded that the use of post-project evaluation was variable and inconsistent; departments were falling short of government requirements on transparency and publication of evaluation findings; and central government needed to clarify responsibilities, oversight and communication of evaluation evidence.²⁸⁰ While some local transport authorities make their project evaluations public, such as the Nottingham light rail funding scheme, others do not.²⁸¹ This can limit the ability to learn lessons from projects.
194. **The Government should require comprehensive, proportionate evaluation of all transport schemes funded with public money above a certain cost threshold to be undertaken and published.**

278 [Q 154](#) (Baroness Vere of Norbiton)

279 DfT, ‘DfT evaluation strategy and programme 2022’ (updated 30 June 2022): <https://www.gov.uk/government/publications/dft-monitoring-and-evaluation-programme/dft-evaluation-strategy-and-programme-2022> [accessed 17 August 2022]

280 National Audit Office, ‘Evaluating government spending’ (December 2021): <https://www.nao.org.uk/report/evaluating-government-spending/> [accessed 17 August 2022]

281 See Appendix 4.

APPENDIX 1: LIST OF MEMBERS AND DECLARATIONS OF INTEREST

Members

Baroness Bakewell
 Lord Berkeley
 Lord Best
 Lord Carrington of Fulham
 Baroness Cohen of Pimlico
 Baroness Eaton (Member since 12 October 2022)
 Lord Grocott
 Lord Haselhurst
 The Earl of Lytton
 Lord Moylan (Chair since 12 October 2022)
 Baroness Neville-Rolfe (Chair until 20 September 2022)
 Lord Stunell
 Baroness Thornhill

Declarations of interest

Baroness Bakewell
No relevant interests declared
 Lord Berkeley
Board Member, ALLRAIL the European association of independent train operators
 Lord Best
Vice President, Local Government Association
 Lord Carrington of Fulham
No relevant interests declared
 Baroness Cohen of Pimlico
Member, Planning Committee, Cambridge Past Present and Future
 Baroness Eaton
No relevant interests declared
 Lord Grocott
No relevant interests declared
 Lord Haselhurst
Chair, West Anglia Rail Taskforce (unremunerated)
 The Earl of Lytton
No relevant interests declared
 Lord Moylan (Chair)
Strategic Adviser, Bouygues Travaux Publics S.A.S. (part of Bouygues SA, which constructs and maintains public transport infrastructure in the UK)
Member, Chartered Institute of Logistics and Transport (CILT)
 Baroness Neville-Rolfe (former Chair)
No relevant interests declared
 Lord Stunell
Honorary Fellow of the Institution of Civil Engineers
 Baroness Thornhill
No relevant interests declared

A full list of Members' interests can be found in the Register of Lords' interests: <https://www.parliament.uk/mps-lords-and-offices/standards-and-interests/register-of-lords-interests/>

Specialist Adviser

Dr Simon Blainey

Oct 2020–Oct 2021, Consultancy for WSP producing demand forecasts for new railway stations in Somerset

Jun–Sep 2021, Consultancy for AECOM producing demand forecasts for new railway stations in Barrhead

Mar 2022–Nov 2022, Consultancy for AECOM on 'Modelling Exogenous Factors for Rail Demand Forecasting' project, funded by Rail Delivery Group

Sep 2017–Sep 2022, External examiner for MSc, BSc, DipHE and CertHE courses in Railway Operations Management, Glasgow Caledonian University

Mar 2019–present, Associate Professor in Transportation, University of Southampton

Jan 2019–present, Member of editorial board, Journal of Transport Geography

Jan 2022–present, Editor, Transportation Planning and Technology journal (published by Taylor & Francis)

Jan 2022–Mar 2023, Principal Investigator on 'Routable Active Travel Infrastructure Networks' (RATIN) research project, funded by Ordnance Survey

Mar 2021–Mar 2022, Researcher on 'Polytrack' research project, funded as part of West Midlands 5G programme

April 2021–April 2023, Co-Investigator on 'DAFNI-ROSE' resource only strategic equipment grant, funded by EPSRC

Jul 2020–Jan 2023, Principal Investigator on 'Decision Support Systems for Resilient Strategic Transport Networks in Low Income Countries' project, funded by FCDO via IMC Worldwide

APPENDIX 2: LIST OF WITNESSES

Evidence is published online at <https://committees.parliament.uk/work/6493/public-transport-in-towns-and-cities/publications/> and available for inspection at the Parliamentary Archives (020 7219 3074).

Evidence received by the Committee is listed below in chronological order of oral evidence session and in alphabetical order. Those witnesses marked with ** gave both oral and written evidence. Those marked with * gave oral evidence and did not submit any written evidence. All other witnesses submitted written evidence only.

Oral evidence in chronological order

*	Stephen Joseph OBE, Transport policy consultant and Visiting Professor at University of Hertfordshire	QQ 1–10
**	Professor Greg Marsden, Institute for Transport Studies, University of Leeds	QQ 1–10
*	Phil Southall, Managing Director, Oxford Bus Company	QQ 11–23
*	Graham Vidler, Chief Executive, Confederation for Passenger Transport	QQ 11–23
*	Phil Cameron, Interim Managing Director, Lumo and First Rail Commercial Projects Director	QQ 24–40
*	Mark Hopwood CBE, Managing Director, Great Western Railway	QQ 24–40
*	Professor Susan Grant-Muller, Institute for Transport Studies, University of Leeds	QQ 41–53
*	Sampo Hietanen, Founder and Chief Executive Officer, MaaS Global	QQ 41–53
*	Martin Howell, Transport Markets Director, Worldline UK&I	QQ 41–53
*	Oz Choudhri, Head of Mobility Solutions UK & Ireland, Enterprise Holdings	QQ 54–63
*	Laura Holloway, Head of Government and Public Affairs UK & Ireland, Enterprise Holdings	QQ 54–63
*	James Freeman, Former Managing Director, First West of England and Chair, Bus Rapid Transit UK	QQ 64–79
**	Professor Peter White, Emeritus Professor of Public Transport Systems, University of Westminster	QQ 64–79
**	Chris Lane, Head of Transport Innovation, Transport for West Midlands	QQ 80–89
*	Dr Erich Forster, Former Chief Executive Officer, WESTbahn and Rail Holding AG, and Chair, AllRail	QQ 90–104
*	Pauline Cassette, Transport and Mobility Director, SIMOUV	QQ 90–104

**	Jonathan Bray, Director, Urban Transport Group	QQ 105–113
*	Martin Tugwell, Chief Executive, Transport for the North	QQ 105–113
*	Andy Burnham, Mayor, Greater Manchester	QQ 114–123
*	Professor John Preston, Professor of Rail Transport, University of Southampton	QQ 124–137
*	Stephen Edwards, Corporate Director of Public Transport, South Yorkshire Mayoral Combined Authority	QQ 138–146
**	Jools Townsend, Chief Executive, Community Rail Network	QQ 147–153
**	Baroness Vere of Norbiton Parliamentary Under-Secretary of State for Transport, Department for Transport	QQ 154–169

Alphabetical list of all witnesses

	Action for Yorkshire Transport	TTS0004
	Association of Directors of Environment, Economy, Planning & Transport (ADEPT)	TTS0037
	Brighton and Hove City Council	TTS0005
	Bristol City Council	TTS0036
*	Andy Burnham, Mayor, Greater Manchester (QQ 114–123)	
	Buses4U	TTS0046
	The BusMan Transport Consultancy	TTS0012
*	Phil Cameron, Interim Managing Director, Lumo and First Rail Commercial Projects Director (QQ 24–40)	
	Campaign for Family Friendly Trains	TTS0015
*	Pauline Cassette, Transport and Mobility Director, SIMOUV (QQ 90–104)	
	Centre for Cities	TTS0026
	Chartered Institute of Logistics and Transport UK	TTS0011
*	Oz Choudhri, Head of Mobility Solutions UK & Ireland, Enterprise Holdings (QQ 54–63)	
**	Community Rail Network (QQ 147–153)	TTS0066
	ConnectedCities	TTS0017
	Coventry City Council	TTS0039
		TTS0065

**	Department for Transport (DfT) (QQ 154–169)	TTS0028 TTS0068
*	Stephen Edwards, Corporate Director of Public Transport, South Yorkshire Mayoral Combined Authority (QQ 138–146)	
*	Dr Erich Forster, Former Chief Executive Officer, WESTbahn and Rail Holding AG, and Chair, AllRail (QQ 90–104)	
*	James Freeman, Former Managing Director, First West of England and Chair, Bus Rapid Transit UK (QQ 64–79)	
	Frome and Villages Bus User Group	TTS0025
	Go-Ahead	TTS0010
	Dr Gabriele Gradoni, University of Nottingham	TTS0058
*	Professor Susan Grant-Muller, Institute for Transport Studies, University of Leeds (QQ 41–53)	
*	Sampo Hietanen, Founder and Chief Executive Officer, MaaS Global (QQ 41–53)	
*	Laura Holloway, Head of Government and Public Affairs UK & Ireland, Enterprise Holdings (QQ 54–63)	
	David Holt	TTS0048
*	Mark Hopwood CBE, Managing Director, Great Western Railway (QQ 24–40)	
*	Martin Howell, Transport Markets Director, Worldline UK&I (QQ 41–53)	
	Independent Transport Commission	TTS0052
	Institution of Civil Engineers	TTS0035
	ITS United Kingdom	TTS0049
*	Stephen Joseph OBE, Transport policy consultant and Visiting Professor at University of Hertfordshire (QQ 1–10)	
**	Chris Lane, Head of Transport Innovation, Transport for West Midlands (QQ 80–89)	
	Haicang Li, University of Nottingham	TTS0058
	Local Government Association	TTS0043
**	Professor Greg Marsden, Institute for Transport Studies, University of Leeds (QQ 1–10)	TTS0001
	Martin Higginson Transport Research & Consultancy	TTS0027
	Midlands Connect	TTS0029
	Tay McLean	TTS0007

	Dr David Metz, Honorary Professor, Centre for Transport Studies, University College London, formerly Chief Scientist, DfT	<u>TTS0059</u>
	Option 24/7	<u>TTS0045</u>
	Padam Mobility	<u>TTS0023</u>
	Population Health Interventions Programme, MRC Epidemiology Unit, University of Cambridge	<u>TTS0050</u>
	PreMetro Operations Ltd	<u>TTS0018</u>
★	Professor John Preston, Professor of Rail Transport, University of Southampton (<u>QQ 124–137</u>)	
	Railfuture	<u>TTS0022</u>
	David Redgewell	<u>TTS0061</u>
	Professor Lucelia Rodrigues, University of Nottingham	<u>TTS0058</u>
	Peter Small	<u>TTS0002</u>
	Somerset Bus Partnership	<u>TTS0008</u>
★	Phil Southall, Managing Director, Oxford Bus Company (<u>QQ 11–23</u>)	
	Sustrans	<u>TTS0014</u>
	TAS Partnership	<u>TTS0042</u>
	Dr Anne Touboulic, University of Nottingham	<u>TTS0058</u>
	Transport East	<u>TTS0054</u>
	Transport Focus	<u>TTS0062</u>
	Transport for London	<u>TTS0060</u>
	Transport for the South East	<u>TTS0020</u>
★★	Transport for West Midlands (<u>QQ 80–89</u>)	<u>TTS0032</u>
	Transport for Greater Manchester	<u>TTS0056</u>
	Transport North East	<u>TTS0044</u>
	Transport Planning Society	<u>TTS0057</u>
	TravelWatch SW	<u>TTS0024</u>
★	Martin Tugwell, Chief Executive, Transport for the North (<u>QQ 105–113</u>)	
	UK100	<u>TTS0040</u>
	UKTram	<u>TTS0030</u>
	UK Women's Budget Group	<u>TTS0019</u>
	Understanding Society Institute for Social and Economic Research, University of Essex	<u>TTS0006</u>
★★	Urban Transport Group (<u>QQ 105–113</u>)	<u>TTS0016</u>
		<u>TTS0064</u>

- ★ Graham Vidler, Chief Executive, Confederation for Passenger Transport ([QQ 11–23](#))
- VisitBritain [TTS0047](#)
- Dr Julie Waldron, University of Nottingham [TTS0058](#)
- David Walmsley [TTS0051](#)
- Joseph Walters, University of Nottingham [TTS0058](#)
- Emeritus Professor Michael Waterson, University of Warwick [TTS0013](#)
- Alan Wenban-Smith [TTS0041](#)
- West of England Combined Authority [TTS0038](#)
- WMG, University of Warwick [TTS0055](#)
- Wheels for Wellbeing [TTS0003](#)
- ★★ Professor Peter White, Emeritus Professor of Public Transport Systems, University of Westminster ([QQ 64–79](#)) [TTS0063](#)
- Work Futures Research Group and Nottingham Civic Exchange [TTS0021](#)
- Young users of public transport in the North West [TTS0009](#)

APPENDIX 3: CALL FOR EVIDENCE

Overview

The House of Lords Built Environment Committee has launched an inquiry into public transport in towns and cities in England.

The Committee invites interested individuals and organisations to submit written evidence to this inquiry by 11 March 2022. The Committee intends to hold oral evidence sessions between February and May and will publish its report later in the year.

Background

The ways people choose to travel for work, school and leisure have changed over recent years, driven by trends including digitalisation. The COVID-19 pandemic has brought further dramatic changes in travel patterns, with more people working flexibly, although it is not clear how enduring these changes will be.

This inquiry will assess public transport travel trends in towns and cities. We will consider how public transport choices vary across different demographics and the impact of technological and digital developments on travel behaviours. The inquiry will explore the extent to which local authorities are equipped with the appropriate funding and powers to provide high-quality public transport services. We are interested in connectivity across modes and how to achieve better integration through data and innovation. This inquiry will consider likely future trends in public transport innovation and how public policy can be shaped in light of these trends.

The Government has recently published a number of plans aimed at encouraging more consumers to use public transport. These include the National Bus Strategy, the Williams-Shapps Plan for Rail, the Integrated Rail Plan and the Transport Decarbonisation Plan. The Committee will consider recent policy initiatives and ask how better policy coordination across the built environment could improve outcomes.

We are keen to hear from interested stakeholders and individuals, including operators, companies of all kinds with an interest in the subject, membership organisations, representative bodies, the Government, local authorities, non-governmental organisations and academics, about these issues. The Committee is also interested to learn from international comparisons.

Diversity comes in many forms and hearing a range of different perspectives means that Committees are better informed and can more effectively scrutinise public policy and legislation. We encourage anyone with experience or expertise of an issue under investigation to share their views with the Committee, in the full knowledge that they have value and are welcome.

The Inquiry

The Committee seeks evidence in response to the following questions. It is not necessary to answer all the questions.

- (1) What are the current and anticipated levels of public transport demand and capacity in towns and cities in England? What influences public transport travel patterns? How does the choice of public transport vary across different demographic groups?

- (2) How might public transport travel patterns shift in the next 10 years? What impact could digitalisation and the COVID-19 pandemic have on travel patterns in the long term?
- (3) What can be done to improve connectivity across public transport modes? How could better integration be delivered in urban areas outside London?
- (4) What are the likely areas of innovation in urban public transport over the next 10 years? How should public policy be shaped considering both incremental and transformational innovations? How could data help transport services meet consumer demand?
- (5) Are local authorities well equipped with appropriate funding and powers to deliver high-quality public transport services? Would further devolution of transport policy contribute to better outcomes?
- (6) Could better policy coordination across government departments, and between central and local government, improve public transport outcomes? If so, how can this be achieved?
- (7) What are the barriers to improving urban public transport, in terms of delivering the necessary infrastructure, increasing connectivity and improving the consumer experience?
- (8) Are there other important changes, not covered elsewhere in these questions, which would improve matters?

APPENDIX 4: COMMITTEE VISIT TO NOTTINGHAM

As part of its inquiry on public transport in towns and cities, on 3 March 2022 the Committee visited Nottingham, where they were hosted by Nottingham City Council. The Committee met with a range of Council representatives, transport professionals, operators and local business leaders.

The following Members took part in the visit:

- Baroness Neville-Rolfe (Chair until 20 September)
- Baroness Bakewell
- Lord Berkeley
- Lord Best
- Baroness Cohen of Pimlico
- Lord Haselhurst
- The Earl of Lytton

The Specialist Adviser, Dr Simon Blainey, was in attendance.

The Committee heard from:

- Cllr David Mellen, Leader of Nottingham City Council
- Cllr Rosemary Healy, Local and Strategic Transport Portfolio Holder, Nottingham City Council
- Sajeeda Rose, Corporate Director of Growth and City Development, Nottingham City Council
- Chris Carter, Head of Transport Strategy, Nottingham City Council
- Steve Tough, Head of Public Transport, Nottingham City Council
- Skinder Hundal, Chief Executive of the New Art Exchange
- Tim Hesketh, Chief Executive Officer, Tramlink
- David Astill, Managing Director, Nottingham City Council

The Committee met at the Nottingham City Council headquarters to hear from the Leader about public transport in the city. He described the demographics of the city and surrounding areas and highlighted the importance of the network, particularly for the young and for travel to work. The Leader set out the Council's ambition to be carbon neutral by 2028, for transport this involved projects such as increasing the green skills base and moving to an electric/biogas bus fleet. Officials at the Council shared that car traffic was up to 95% of pre-pandemic levels, bus patronage was at 70–75% of pre-pandemic levels, and tram use was at 50–60% of pre-pandemic ridership.

Representatives from the Council said that pre-pandemic, the tram had successfully encouraged modal shift from the car onto the tram network, as users who would not normally use public transport tend to use the tram. Many also use the large park and ride sites at some tram stops. While this pattern was still reflected in recent ridership, tram patronage was recovering more slowly than other transport modes.

Officials said that the tram network had cost around £700 million and serves to deliver increased capacity on the network. Emphasising that many people who would not travel by bus choose to travel by tram, they said that people like the rigidity of the tram network, as it operates at a ‘turn-up-and-go’ frequency, doesn’t change route, and isn’t delayed by congestion as it has highest traffic priority. Nottingham introduced a workplace parking levy in 2012 with the goal of tackling problems associated with traffic congestion by providing funding for major transport infrastructure initiatives and acting as an incentive for employers to manage their workplace parking provision. The levy required around £500,000 in initial investment and generates around £10 million per year.

On fares, representatives from the council said that there had been some challenges with implementing a multi-operator ticket across buses and the tram, as some operators had been reluctant to join the scheme.

The Committee then made a journey by tram to the Nottingham New Arts Exchange gallery, where we heard from major employers in Nottingham. They shared their views on the importance of effective public transport for getting employees to their workplaces and had mixed opinions about the workplace parking levy. The Committee was then taken on a tour of the public transport network by bus and tram, including a number of mobility hubs. It was noted that fold-up bikes were not permitted on the bus network.

Representatives from Tramlink, the private investment partner in the Nottingham Tram which helps build, maintain and operate the system, set out the financial situation of the tram network, which was struggling in the wake of the COVID-19 pandemic. Fare revenue was at around 60% of pre-pandemic levels, and we heard that the next 12 to 18 months would be critical in establishing the future of the network. Tramlink was concerned about the Government support for the network during the pandemic coming to an end. Funding from the workplace levy went towards development of the tram network and was known locally as a ‘tram tax’.

The Committee then heard from Nottingham City Transport (NCT), the main bus operator in the city. Discussing the priorities for users, NCT said that a ‘turn-up-and-go’ frequency was very important for bus services to compete with the private car and that real-time information on bus services helped users plan their journey. They said that having clear, flat-rate fares helped attract new passengers and smartcard/contactless payments made journeys easier for passengers. Outlining the investment in buses in the city, they said that they were seeking to increase bus priority corridors on the roads and the number of bus lanes and introduce an all-electric/biogas fleet.

APPENDIX 5: COMMITTEE VISIT TO COVENTRY AND BIRMINGHAM

As part of its inquiry on public transport in towns and cities, on 23 and 24 May 2022 the Committee visited Coventry and Birmingham, where they were hosted by Coventry City Council and Transport for West Midlands. The Committee met with a range of council representatives, transport professionals, operators and local business leaders.

The following Members took part in the visit:

- Baroness Neville-Rolfe (Chair until 20 September)
- Lord Berkeley
- Lord Best (24 May only)
- Baroness Cohen
- Lord Grocott
- Lord Haselhurst
- Lord Moylan
- Lord Stunell

The Specialist Adviser, Dr Simon Blainey, was in attendance.

In Coventry, the Committee heard from:

- John Seddon, Head of Transport and Innovation, Coventry City Council
- Hakan Bikim, Technical Programme Manager, Coventry Railway Station
- Pete Bond, Director of Integrated Transport Services, Transport for West Midlands
- Nicola Small, Senior Programme Manager, Very Light Rail, Coventry City Council
- Phil Wall, Programme Manager, WMG at the University of Warwick
- Marc Greenwood, Policy and Public Affairs Lead, Coventry City Council

In Birmingham, the Committee heard from:

- Mike Waters, Director of Policy, Strategy and Innovation, Transport for West Midlands
- Malcolm Holmes, Executive Director, West Midlands Rail Executive
- Michael Anderson, Director of Projects for West Midlands Metro
- Pete Bond, Director of Integrated Transport Services, Transport for West Midlands
- Stuart Lester, Data Innovation Lead, Transport for West Midlands
- Anne Shaw, Executive Director, Transport for West Midlands
- Sandeep Shingadia, Director of Strategic Partnerships and Delivery Integration at Transport for West Midlands
- Sophie Allison, Managing Director, West Midlands Metro
- Chris Gibbens, Commercial Director, National Express

- Jonny Wiseman, Customer Experience Director, West Midlands Trains
- Mike Mounfield, Lead for the Accessible and Connected agenda, Colmore Business District
- Neil Davies, Senior Bus and Rail Planning Specialist, Atkins
- Shivaji Shiva, Partner, VWV Solicitors
- Alan Bain, Regional Director, Mott MacDonald

Site visit of Coventry Railway Station

The Committee undertook a walking tour of the new Coventry Railway Station and its transport interchanges. The Coventry Station Masterplan project was developed to deliver new infrastructure to meet current and projected future passenger growth, using funding from the West Midlands Combined Authority and the Coventry and Warwickshire Local Enterprise Partnership Growth Deal. The project cost approximately £82 million. The original station was designed for two million passengers annually; there are now eight million users per annum. The station includes a new interchange connecting the station to bus services and live departure times of bus and rail departures were displayed on a single screen at the new interchange.

The Committee then met with Council representatives to discuss areas of transport innovation in Coventry, including the Coventry Very Light Rail scheme.

Transport for West Midlands and Coventry City Council

Transport for West Midlands (TfWM) is an executive body of the West Midlands Combined Authority and is responsible for coordinating transport services in the West Midlands metropolitan county including bus franchising and highway management powers. TfWM is part of the West Midlands Rail Executive and West Midlands Bus Alliance. TfWM runs the region's tram service, the West Midlands Metro, and the Swift smartcard ticketing system.

TfWM representatives said that TfWM's key responsibilities include: delivering scheme developments; branding; smart ticketing; physical and digital infrastructure; managing the Key Route Network of roads; providing 'ring and ride' services; and developing the Sprint Bus rapid transit network. Work is currently underway to update the Local Transport Plan.

Officials from Coventry City Council introduced several innovation projects, including an on-demand service of buses across the South and East of the city, connecting the University and the Jaguar Land Rover site. The pilot scheme has run since April 2021 and initially served the University of Warwick campus, but has recently expanded to cover more than half the city. They said that it complements fixed route services and is a helpful way of meeting demand for orbital trips.

On data, officials suggested that lessons could be learned from the retail sector, which had prioritised understanding customer data for twenty years. They suggested that building in-house data expertise in local authorities is challenging due to the expense of these skills. To meet this challenge, TfWM has introduced seven apprenticeships. It is hoped that these roles will stimulate an interest in the transport sector as a means of working with data.

Mobility vouchers were cited as one way of influencing behavioural change away from carbon-based travel to multi-modal transport. TfWM gave a small trial of users £3000 in mobility vouchers over three years in exchange for a highly

polluting car. Officials said that the scheme had encouraged behavioural change in some of the more traditionally “hard to reach” communities, such as younger males and people from a Black, Asian and Minority Ethnic background.

Ticketing

The Swift card in operation in the West Midlands is the largest smart card transport system outside London, with 32 million journeys taking place through the card in 2020/21. Officials underlined the value of the Swift card in capturing data which could help influence future behaviour. He indicated that the card is now also integrated with the West Midlands Cycle Hire scheme and Enterprise Car Club hire.

Coventry Very Light Rail

Coventry Very Light Rail (CVLR) is a new form of mass transit using smaller, electric-powered vehicles than traditional tramway systems and a thinner track designed to allow utilities to remain in the ground. Coventry City Council intends to open a VLR network from 2025; this would be the first such system in the UK. The Committee visited the interchange where the first route of CVLR will meet the railway station, connecting the city centre to the University Hospital. It is hoped that the network will give residents a fast, frequent and affordable connection to various major employment centres and transport hubs.

The Committee heard that in 2017, the Council received £14.6 million in research and development funding to build the CVLR technology in collaboration with the WMG at the University of Warwick. Traditional light rail schemes typically cost between £35 and £50 million per kilometre to build; the CVLR system in Coventry has a target cost of £10 million per kilometre, with cost reductions arising from the vehicle design, the lack of overhead power cables and the development of a new track.

The track uses many traditional components from the rail industry, while also making use of materials science to allow it to be much thinner than traditional track. In this way, it is expected to allow the Council to keep some utilities in the ground, minimising installation cost and disruption to people and businesses. This is an innovation that will benefit many other local authority transport systems and could offer a more affordable light rail option compared to traditional metro and tram systems.

We heard from representatives of the CVLR programme, who cited some of the advantages of light rail, including building passenger confidence in reliability, reducing carbon emissions and attracting businesses to the stops.

Buses

Officials from TfWM welcomed the ambition of the National Bus Strategy, which was launched in Coventry in March 2021. TfWM was allocated £88 million to deliver their Bus Service Improvement Plan to increase revenue over the next three years. The Plan included proposals to deliver the largest hydrogen bus project in Western Europe; simplification of ticketing; and a target to reach a 100% zero emission fleet by 2030.

Funding

TfWM representatives presented an overview of the capital investment programme for TfWM for the next five years. The West Midlands Combined Authority has

been allocated £1.05 billion as part of the City Region Sustainable Transport Settlement. TfWM welcomed this fund, as it had encouraged councils to take a more holistic and long-term look at different modes and the coordination of road space. Some of this funding will be used to improve congestion through a Sprint Bus Rapid Transit network.

Concerns were raised about processes of bidding for government funding, which were seen as resource intensive. We heard that an advantage of combined authorities is the ability to utilise the different authorities' resources and talents. When asked which investments would be prioritised in a pressured financial climate, TfWM indicated that buses, walking and demand-responsive transport were key priorities.