

## **Written evidence submitted by Reading Borough Council (BUS0016)**

### **Introduction by Cllr Tony Page, Deputy Leader, Reading Borough Council and Lead Member for Strategic Environment, Planning and Transport**

On behalf of Reading Borough Council (RBC) I am submitting this response to the Select Committee. RBC is the sole owner of Reading Buses ever since the then Council established its Tramways Committee in October 1898. The subsequent evolution of trams and trolleybuses to diesel buses and now gas-fuelled buses has been under the auspices of the local authority. RBC remains the proud owner of one of the UK's top-rated bus companies and one of only nine still in local authority ownership.

### **Background**

Reading Borough Council and its wholly owned subsidiary bus company – Reading Buses, have together been responsible for a 40% increase in bus patronage in Reading over a 9 year period prior to the pandemic. This has been achieved by continuous prioritisation of investments in improving the environment for the operation of buses and by Reading Borough Council and Reading Buses' introduction of innovative bus services and facilities.

The Council delivered two new P&R sites, started a bus rapid transit (BRT) contracted bus service that was used to provide effective public transport on the main development corridor to the south. This corridor attracted housing and businesses thus providing the increase in passengers that BRT then developed further – a virtuous circle. This development was assisted by continuous investment in physical additional bus running lanes along the A33 through Local Enterprise Partnership (LEP) funding schemes. Multiple award-winning Reading Buses delivered new buses with advanced passenger features such as on board wi-fi and multiple wheelchair spaces together with onboard audio and visual information systems, that even tell bus passengers nearing the station what the status of next train departures is. Reading Buses has been at the forefront of the development of social media and delivery of innovative payment methods such as contactless and apps on mobile devices.

The philosophy adopted by Reading Borough Council and Reading Buses has been one of promoting the benefits of having good levels of bus service throughout the town bringing a social dividend of better service levels rather than higher financial dividend to the bus company shareholder. Provision of

effective public transport including better bus services is one of the ways in which the geographically small Reading Borough Council can protect its key transport network system from being overwhelmed by the extensive housing development taking place just beyond the Borough boundary in neighbouring local authority areas. Without effective bus services residents and visitors to Reading would increasingly be mired in congestion, pollution and poor air quality mostly caused by car commuting from outside the town.

With a background as noted above and the second highest usage of buses per head of population outside London, Reading Borough Council greeted the publication of the National Bus Strategy with enthusiasm. The document acknowledged the strategy that Reading Borough Council had pursued and was clear that LTAs could not in future continue to back away from the need to commit to providing the physical needs required for effective bus services.

Strategies such as Park and Ride, full time bus lanes, bus lane enforcement, effective provision of bus information and an upgrading of bus standards to match those of the best were all promoted as being the standard for the future and were to be backed up with £3bn of investment.

***The Transport Select Committee is scrutinising the implementation of the Government's national bus strategy, Bus Back Better, and the challenges the bus sector faces as it recovers from the pandemic. We are particularly interested in receiving written evidence that addresses:***

***a) challenges facing the sector as it recovers from the pandemic and the effectiveness of steps taken by both Government and stakeholders in response;***

The NBS announcement provided in theory, a way forward for the bus sector given the difficulties that were being experienced in early 2021. It could have been expected that, a year on, the sector would be ready to embark on bus service improvement plans from a recovered position. Unfortunately, this is not the case and as subsequent virus variants have caused further restrictions on people, and the Government have never fully rescinded the very heavy advice 'not to use public transport' meaning that the effects of various stages of restored freedom have not resulted in full levels of recovery of passenger demand.

Bus operators have attempted to meet the full service requirements of DfT funding support streams even as those streams have changed during the 12 months since the NBS announcement. The lack of forward notice of the replacement funding stream from September 2021 was particularly onerous as operators and LTAs were left in the dark until some weeks after the scheme had come into operation. Clearly this is not the way to plan or coordinate bus services at the start of a school year. The previous school year's DfE funded extra school bus services were also not funded for this academic year so were unavailable.

Since September 2021 lack of sufficient funding for the full effects of the slow recovery and the subsequent further effects of the Omicron variant have led to operators and LTAs needing to make cuts to timetables and services as the cumulative effects of funding and passenger and driver shortage situations took hold.

A slow response from the DfT to these issues resulted in late notification that further BRG funding would be paid within the current financial year and that funding would be paid for six months from April 2022. LTAs and bus operators have not been given specifics of how much funding this will be individually, which again has resulted in cuts to services being planned from April 2022.

The results of the above situations are that many bus services are now in a precarious position with bus operators and LTAs unsure if they will have sufficient funds to continue to operate them, let alone invest in making them fit for the standards of the NBS.

To compound the above, the funding that was announced as £3bn had reduced to £1.4bn by the end of 2021 and is now rumoured to be even less. The DfT has stated that for some LTAs there will be no BSIP funding whilst even for those who might get something, no announcement has been made about who will receive funding or how much. This is the situation with the start of the BSIP and EP structure imminent which was repeatedly stated by the DfT as being the only way that bus funding would happen from April 2022.

***b) progress against the ambitions and targets set out in national bus strategy including the effectiveness, pace and priority of the strategy's implementation;***

LTA's and bus operators spent a considerable amount of time producing BSIPs in the time given for them to be published by the end of October 2021. Fortunately for Reading Borough Council many of the ideas were exactly what the Council had been developing and implementing as policies but the level of detail and the need for involvement of numbers of additional organisations made the work considerable. The later requirement for a funding table which turned out to be in effect a bid document caused some difficulties as some BSIP schemes were recognised as needed but as yet undeveloped but required some sort of price applied.

The DfT provided funding for LTAs to develop BSIPs which was welcome, however the reality was that most effective work was done by Council officers rather than bought in expertise with little knowledge of the local bus landscape, especially when every other local authority was in the same position.

Having published the BSIP Council officers immediately started to undertake the work necessary to form an Enhanced Partnership, which is a complex legal process. Timescales set were very challenging and only by receiving some excellent specialist legal advice was it possible for Reading Borough Council to formally agree to publish the Enhanced Partnership Plan and Enhanced Partnership Scheme from 1st April 2022.

The feeling amongst officers and Councillors was that we needed to press on and complete the scheme to enable the Council to be in a position to receive the much-needed BSIP funding when it came through after April 2022.

Subsequently the DfT announced it would accept draft EPs but the reality is that this would just delay establishment of the EP which has repeatedly been stated to be the only Government funding stream for buses in future.

Whilst Reading Borough Council will be in a position to commence its EP from April 2022 there are already questions around the difference of interpretation between the DfT and the CMA on the commercial and competition implications of such initiatives as fare consistency, innovative ticketing schemes, standards of bus services and local branding. These competition issues will need to be explored within the EP and will need further legal advice as to the ability of the Council to make any significant changes to the status quo, as intended by the NBS.

Previous funding streams for public transport through the LEP Growth Deal appears to have ended and, as of yet, no other funding (including the BSIP) has been announced. There has thus been no progress on implementing BSIP schemes other than to complete the existing LEP funded works.

There has been no progress on improving bus services which were mostly previously above NBS standards but are now struggling to recover. Those more marginal services where improvement was more essential are struggling to simply survive.

***c) innovation in the sector, including examples of new methods that have been trialled successfully;***

Reading Borough Council and Reading Buses have consistently innovated and delivered successful strategies that have enabled growth of passengers. It is significant that the growth was of people willing to pay a fare to use buses and not in the use of free passes.

A consistent approach to enabling buses to do their job as effectively as possible and not sit in traffic jams caused by other people's unsustainable travel choices is and has been key to getting buses to be more reliable and quicker than competing car commuting.

With the challenges of the post pandemic world bus operators and LTAs need to focus on making their services as relevant as possible so people who now have more choice of whether they travel at all, are able to easily choose the bus as their preferred option.

When shift workers at key locations such as hospitals and distribution centres finish work they need immediately available fast bus services to take them home, and also to bring them to work. Many bus services pass places of work but more is needed to make them really responsive to the needs of those employees. Reading Borough Council introduced shift responsive BRT buses to/from a major distribution centre for no additional cost to the service overall as at the shift times there was little competing business. This could be extended with more or less demand responsive extensions to further away areas of the town beyond the town centre.

Reading Buses has for many years provided dedicated football supporters' buses from all areas of the town and surrounding areas so as to offer a more or

less door to door access to the football stadium. After the match no cars are allowed to exit the car park until after the supporters' buses have left giving buses empty roads to use to get away from the stadium. Supporters who travel this way can be indoors in less than 30 minutes after the match whereas cars have mostly not even left the car park by then. Reading Borough Council provided a short distance but effective P&R shuttle to the stadium from Mere oak, enabling those who parked their 400-500 cars at the P&R site to get back to them in less than 20 minutes after the match.

Really effective full bus branding has been in operation in Reading since 2004 so passengers and locals see the brightly coloured buses that operate on 'their' route such as the Purple 17 or the Emerald 5. This gives ultra-local ownership of bus services which are an essential local service whether the owning company is based in that town or not. In Reading's case the bus company running 95% of services is locally owned.

'Whole route' improvements were used by Reading Borough Council and Reading Buses to launch 'Premier Routes' in the early 2000's. The Council invested in bus priority, bus stops, parking revisions, real time passenger information whilst the bus company invested in timetable improvements and new branded, fully accessible buses for that route. As each route was improved passenger numbers were turned from a gradual but steady decline to growth.

If EPs are to be successful, then a similar approach will be needed going forwards.

***d) bus funding over the short and long term;***

The delivery of the NBS standards of service and the physical interventions needed to achieve some of these standards requires that funding commitments are made for more than just a short-term fix. In the short term there is still uncertainty over the sufficiency of the funding being made available until September 2022. Without this funding resulting in a stable bus service situation any NBS developments over the longer term will be starting by going backwards, exactly as the situation is now.

The success of the NBS largely relies on LTAs putting such plans as bus priority through highway capacity reallocation and parking controls to do the stick part of the carrot and stick. So far no carrot has been offered.

With the current short-term pressures on people's finances there will be calls for less tax on petrol or help for specific groups. The Government is currently benefitting from increased VAT revenues from the high fuel prices so could help kick start bus recovery and NBS delivery by using this extra revenue to increase BSOG to bus companies and incentivise them to increase services. This could be accompanied by Government adverts and announcements to state that NBS objectives were being funded now as a way of helping people choose to leave their cars at home. This would be a 180 degree change from the current bus service scenario. This if properly worked out over the next three years would give some incentives to bring extra buses into service and improve timetables. This if combined with genuine working with LTAs to deliver whole route improvements as noted above would help to make that change from decline to growth.

Immediate sanction for funding and approval for park and ride services (which currently are unfavoured by the public since the pandemic) would help provide effective alternative service for at least part of rural journeys to urban areas. Some cities like Oxford and York have effective P&R others like Southampton and Bournemouth have none. Most struggle to make the financial case for these at truly competitive rates for motorists and some like Reading struggle to find sites as they must be in adjacent LTAs.

The NBS was, through BSIPs, supposed to be the start of consistent and dependable short- and long-term financing for the provision of bus services that made an effective contribution to the improvement of travel options, the environment and people's lives. So far none of this funding or certainty has been provided.

***e) decarbonisation of the sector and modal shift from other forms of transport.***

As demonstrated in the NBS and in Reading before the pandemic, a dense network of frequent bus services can be operated by low emissions and lower carbon (e.g. CNG buses in Reading), that are a significant step to decarbonisation and effect real modal shift. If bus services are not dense and frequent then replacing an infrequent diesel bus with a zero emission one is both completely unaffordable and ineffective in the context of the amount of other polluting traffic on the road. Even a 5 minute frequency bus service is

only 12 actual vehicles on that road in an hour, tiny compared to car traffic flows.

A Euro 6 diesel bus has significantly lower emissions and if run as part of a dense frequent network can attract people out of individually polluting cars. Run the frequent bus service first as modal shift saves the most carbon, then decarbonise the bus service. The removal of cars due to modal shift to bus and P&R services also removes congestion allowing re-allocation of road space for cycle tracks, wider pavements, street trees and general environmental and health improvements.

Progress towards zero emission buses also requires a way of getting remaining value out of Euro 5 and 6 diesels that are not at the end of their life. Therefore, rather than 'big-bang' conversion programmes for whole depots or towns as previously suggested, a route-by-route, bus-batch-by-bus-batch basis would provide a more effective delivery mechanism. The bus building industry is more likely to benefit from a longer-term programme and more towns and cities could benefit from the introduction of batches of zero emission buses spread around rather than just one city where every bus was replaced.

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