

Written evidence submitted by the Chartered Institute of Logistics and Transport (CILT UK) (BUS0026)

The Chartered Institute of Logistics and Transport (CILT UK) is a professional institution embracing all transport modes whose members are engaged in the provision of transport services for both passengers and freight, the management of logistics and the supply chain, transport planning, government and administration. Our principal concern is that transport policies and procedures should be effective and efficient, based on objective analysis of the issues and practical experience, and that good practice should be widely disseminated and adopted. The Institute has specialist forums, a nationwide structure of locally based groups and a Public Policies Committee which considers the broad canvass of transport policy. This submission draws on contributions from our Bus and Coach Policy Group.

1. The challenges facing the sector as it recovers from the pandemic and the effectiveness of steps taken by both Government and stakeholders in response

The challenges are many: increased operating costs resulting from rocketing fuel prices and pressures on staff availability and wages. In addition, there are likely to be reductions in local authority revenue support, reform of the Bus Services Operators' Grant and reduced reimbursement rates from the National Concessionary Scheme; also, the return of concessionary users is slower than that for other users which means less reimbursement for operators. The emergency Bus Recovery Grant funding provided through the pandemic was welcome and essential but is close to expiry.

All this is compounded by the devastating effects of Covid-19 during which government messaging told people not to travel by bus. This has been very effective with around one third of pre-pandemic bus users unlikely to return according to surveys by Transport Focus. This has seriously undermined the viability of many services, many of which were on the margins due to irregularities and longer bus journey times caused by other traffic, mainly cars. This dire financial outlook reinforces the view that the model for delivering bus services is unsustainable.

2. Progress against the ambitions and targets set out in the national bus strategy including the effectiveness, pace and priority of the strategy's implementation

The sentiments and objectives of the strategy were widely supported in that they pointed at the means of growing the number of bus users by enabling a shift from the car-dependency that has undermined transport policy in the UK for decades. The shift towards formal and legally binding agreements between highway authorities and bus operators could make positive changes but a number of obstacles have emerged. Firstly, post-pandemic demand levels mean that many operators' starting point is below that of pre-pandemic levels of use – planning around a smaller network is not what was intended. Secondly, funding uncertainties for both local authorities and operators mean that meaningful planning is impeded.

At a time when local authorities were advised to present ambitious strategies for bus services, the decline that was accelerated by the pandemic with fewer bus users and consequently reduced services and both local authorities and operators are powerless to turn this around as their resources are drained.

There are significant problems with delivering measures as the strategy envisages. It appears that those behind it have overlooked the processes involved in achieving the results required. Also, the timescales are totally unrealistic – the expectation that measures can be delivered within months is absurd given the many regulatory requirements. Even superficially straightforward improvements can involve Traffic Regulation Orders, public consultation, design and procurement, each of which takes time. This is not a result of stalling on any player's part but simply the framework within which highway authorities work. To achieve rapid delivery as the strategy requires, authorities have to work around their democratic processes which normally requires decisions being made formally with scrutiny and stakeholder involvement. There is a significant mismatch between spending aspirations and implementation programmes. A by-product of the strategy might be undermining the democratic process in that decisions made in the interests of bus service providers may not be subject to the strict approvals of elected representatives. This highlights some of the problems in that the benefits of creating better infrastructure for buses is not necessarily understood or appreciated by the electorate.

3. Innovation in the sector, including examples of new methods that have been trialled successfully

The bus sector has achieved some major successes including those providing service information through various media including mobile phone apps about the timing and status of buses. Ticketing systems now allow greater flexibility than ever but the barriers to universal application tend to be more institutional than technological. For example during the pandemic, operators were allowing users with return tickets on their buses even if they were issued by other operators; this sort of alliance should be welcomed and enabled.

Regarding emissions, the standards of new diesel buses have improved much faster than other road vehicles, coupled with the increasing adoption of electric and other forms of propulsion. A further trail was for air-cleaning units to be fitted on bus roofs that clean the air as the bus moves to obvious benefit in urban areas.

4. Bus funding over the short and long term

The funding situation is at crisis point with the prospect of fewer bus services rather than more and better services. A combination of both rising costs and depressed demand mean that services are untenable in all but the busiest corridors. With fewer passengers post-pandemic, the scale of funding required is considerable. While the funding made available for new vehicles is welcomed, the erosion of revenue funding has not been addressed. Without this, services will fail and cease to operate because commercial networks cannot support loss-making services. In the longer term, new forms of funding and consistent revenue support need to be considered to avoid stagnation and decline. In the immediate future, emergency funding would help operators recover from the pandemic – while emergency payments enabled services to run through Covid-19, it will take some time before recovery is achieved. However, patterns of demand have changed, particularly for journeys to work and retail and are unlikely to return to previous levels. Where funding has been available, services have managed to grow demand and quality with a succession of improvements as demonstrated by busway schemes and similar high quality networks, especially where buses have a clear advantage over car use.

5. Decarbonisation of the sector and modal shift from other forms of transport.

The sector has progressed considerably in respect of bus emissions but the biggest gains are from enabling car users to shift to regular bus use. Cleaner buses do not alleviate traffic congestion and parking pressures unless services

are good enough to attract habitual car users: the opportunities and potential are massive. Better integration with rail services would also help people who need to access rail stations, a process supported by better infrastructure and joint ticketing.

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