

Written evidence submitted by Integrated Transport Planning (BUS0039)

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;

Integrated Transport Planning (ITP) welcomes the opportunity to provide evidence to the Select Committee. We have worked with operators, local authorities, and stakeholders throughout the pandemic, and provided consultancy advice and support to 12 local transport authorities in response to the National Bus Strategy. Having managed Bus Partnership Boards, development of Bus Service Improvement Plans (BSIPs) and formulation of Enhanced Partnership (EP) Plans and Schemes, we have detailed insights and experience of the challenges facing the bus sector post-pandemic.

It remains unclear what the 'new normal' will be for passenger journeys. Office workers have adopted hybrid working (part home / part office) and it seems likely that many will continue this for the foreseeable future. Equally, business travel has been reduced by on-line meetings; this also looks to be something that will continue.

Journeys made by concessionary pass holders remain significantly lower than pre-pandemic. This group seem to be the most resistant to returning to bus, with levels of use only about 60% of what they were in many areas, particularly in more rural authorities – and consistently lower than fare paying passengers. This appears to be due to a variety of reasons. Not only is this group most cautious about Covid, they have also changed their travel behaviour, using on-line services, using their car more, and

receiving support from family and friends. Again, it seems unlikely that this group will return in full, although they may seek to undertake more leisure and recreational travel instead of shopping and personal business.

Travel patterns appear less affected amongst younger people, as educational trips are largely unchanged and younger people feel less at risk of Covid-19.

Given the continued uncertainty, it is difficult for authorities and operators to plan. Many bus operators are risk averse and so have been reluctant to commit to measures in EPs whilst the situation is so unsure. Even with continuing Bus Recovery Funding, many operators have been reviewing their commercial and supported bus services and reducing levels of provision. Some areas have seen parts of their bus network collapse.

Local transport authorities have similar difficulty in committing to aspirational improvements, given that they have pressures on their revenue budgets and staff. Therefore, much of the ambition encouraged by the National Bus Strategy, will only be realised if significant Government funding for BSIPs is awarded.

Furthermore, bus operators are struggling with finding, training and retaining sufficient drivers. This is partly Brexit related, but also because of the lure of better conditions/wages in the logistics and haulage sector. Indeed, in one authority area, operators put this issue amongst their priorities for addressing through the BSIP.

In contrast to bus use, road traffic has returned to pre-pandemic levels. This causes congestion, delays buses and increases costs for bus operators. During the pandemic, when traffic was light, many bus operators were able to run services much more efficiently and in some cases, provide the same level of service with fewer buses.

As fuel prices, operating costs, and inflation rise, many operators have increased their fares. This will not be positively received by passengers at a time when the cost of living is increasing. It will further reduce the attractiveness of the bus.

Local authorities and bus operators were excited and enthused by the National Bus Strategy when it was first published, as it really put the bus in the spotlight. It offered the opportunity to transform the bus and the image of the bus, reversing the downward trend in patronage over the last 10 years. Unfortunately, that initial optimism has been dampened by delays in announcements on funding and feedback on BSIPs and the realisation that the dwindling amount of funding available will only benefit some, rather than all, areas.

Following the publication of BSIPs in October 2021, operators and local authorities were hopeful that, with funding, bus networks could be maintained and improved. Unfortunately, the opposite seems to be happening. Uncertainty and delays in funding announcements mean that operators have gone ahead with service reductions and fares increases, which will only go to reduce the attractiveness of bus travel.

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

Operators and local authorities responded positively to the National Bus Strategy. It led to the formation of Partnerships, which have met regularly, and created good working relationships. However, the requirements for BSIPs and EPs placed considerable pressure on all concerned, at a time when the sector was struggling. Operators have been faced with dealing with a number of Partnerships in neighbouring areas.

The reality is that it is impossible for meaningful changes to be introduced in the first EP schemes. The schemes have been designed at this stage to only reflect the status quo, which has meant a lot of work for no noticeable benefit. Given the short time scale allowed to develop schemes, there was little opportunity to develop any impactful measures that would be acceptable to all parties and be achievable. More significantly, as some authorities are likely to receive no funding, it will be impossible for any meaningful change to be made. Alongside the impact

to services, this will be particularly damaging because partners are likely to become increasingly frustrated that significant amounts of time and resources have been devoted to a process which will have delivered little meaningful change.

Ultimately, the sector requires investment if meaningful changes are to be made, and the money available through BSIP funding will not be sufficient to reverse the downward spiral of bus patronage, particularly if, as anticipated, many authorities will receive little or no funding. Whilst larger urban authorities have been able to access other funding streams to support public transport, rural areas have not – it is their bus networks that will continue to be most vulnerable.

Working in partnership for the development of BSIPs and EPs has helped to forge some relationships between stakeholders, which has triggered the introduction of some low-cost measures as a result, such as passenger charters. However, these could have been achieved through a less onerous and resource intensive process.

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

We have observed little evidence of innovation within the sector during the pandemic, in part as there has not been the time, resources, or financial security to trial these. Nevertheless, there have been some notable changes introduced by some operators and authorities:

- Some operators have begun releasing occupancy data to indicate to passengers when the busiest buses are; a useful tool for urban bus networks in particular.
- There have been examples of open-data being released, including GTFS feeds, which are highly valuable for the analysis of bus networks and demand.
- Many of the operators which previously did not accept contactless card payments have introduced digital ticketing machines during the pandemic, a significant improvement for passenger convenience and opening opportunities for smartcards and integrated ticketing.

- Operators have significantly increased their cleaning procedures in line with government guidance and have trialled new spray technology and chemicals which cover and disinfect the whole interior of the bus for a prolonged period of time.
- There has been an increase in the interest and adoption of demand responsive transport (DRT) within the last year (partly as a result of DfT funded Rural Mobility Fund trials). Nevertheless, new technology adopted makes it more attractive, responsive, easier and efficient to operate DRT services.

d) bus funding over the short and long term;

In the short term, CBSSG, BRG, and increased ENCTS reimbursement payments have been welcomed and are both recognised as a primary reason why buses were able to run during the pandemic and continue to run to the same intensity today. Nevertheless, operators and authorities are becoming increasingly concerned about the impact that the removal of funding will have on networks and their viability.

The reality is that working to a pre-covid network baseline is no longer a sustainable model because travel patterns have changed and the baseline patronage is lower, meaning it is no longer sufficient to maintain the network, particularly with operating costs rising. Without financial intervention, there is likely to be widescale deregistration of commercial journeys and services across the country, as many of these were only just commercially viable pre-covid and now can no longer be sustained.

For longer term funding, we recognise that more impact may be observed from investment in dense urban networks, where savings achieved in journey time can be reinvested back into the network, and there is a quantum of people which can be attracted onto the bus through fares and ticketing initiatives and general bus-related improvements. However, a lack of investment in rural areas will lead to a sharp reduction in vital bus services and a likely permanent modal shift away from the bus. The National Bus Strategy seeks to 'ensure that the needs of rural transport users are given equal consideration to those in urban areas', however

funding, as it is being distributed currently, is failing to do this. The sparse population in rural areas means that, coupled with a decline in patronage and rise in operational costs, rural bus networks can rarely be commercially viable and will inevitably require investment to ensure that they continue to operate.

In planning funding towards the longer term, there needs to be a recognition that public transport is a public service. Public transport provides a service to all members of society and facilitates economic growth, social inclusion, health and wellbeing, and educational attainment; as such, public transport should be recognised as a public service worthy of investment.

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

Decarbonisation

To achieve wide scale decarbonisation of the bus sector, investment is needed at a national level to bring down the price of zero carbon and alternative fuel vehicles. Currently, these buses cost up to three times more than that of a Euro VI diesel bus, which limits opportunities for operators to invest in zero carbon buses without funding, and prevents a wide scale shift towards zero carbon buses at this stage.

A key inhibiting factor, alongside cost, is the operational limitations. Currently, electric vehicles can support urban bus networks, however it is likely to take time for the technology to be enhanced sufficiently for them to be deployed on long inter-urban or rural services. Alongside this, ever improving technology in rapid charging is needed to allow all electric services to become more viable. We recognise that these are dependent upon wider market innovations and this cannot be improved through government policy or investment alone. The ability to store hydrogen, and the capacity of the electricity grid, are also factors which need consideration.

Alongside this, the industry is at the beginning of a learning process around the operation, charging and maintenance of zero emission vehicles, all of which may bring challenges and costs for operators. This will pose challenges to all those working in the public transport sector, though as the adoption of zero emission vehicles increases, the knowledge sharing and economies of scale achieved will reduce the impact of this learning curve.

Over the past five years, many operators have invested in their fleet to introduce Euro VI buses, or retrofit vehicles to become cleaner, at significant cost. The investment in these vehicles will need to be recovered before they can then begin investment in zero emission buses.

It is clear from a societal perspective that zero emission buses are a good thing. However, surveys of bus users undertaken during the formulation of BSIPs highlighted that this was not a priority for them – much more important was the provision of more frequent services, across more time of the day, and to more destinations.

Modal shift

We believe that it has become increasingly difficult to achieve any meaningful modal shift towards bus since the pandemic began. Car travel appears to remain a priority for Government investment (as shown by the recent decrease in fuel duty) and, for those who have access to one, remains the easiest mode of transport for people to use in most circumstances. There has been no government message to reverse the perception that public transport is unsafe and at risk from catching Covid-19, rendering the car as the obvious choice for travel.

Although the National Bus Strategy seeks to return patronage to pre-covid levels and then exceed it, and local authorities were encouraged to be bold in their proposed measures to achieve this in their BSIPs, without the resources and financial support, modal shift will not be achieved in the scale it needs to. Whilst partnership working will bring about some positive changes, these will not be enough to disincentivise the use of the

car and make bus an attractive alternative to an extent that a significant modal shift will be observed.

To achieve the aims of the National Bus Strategy, there needs to be a recognition by politicians at both local and national level, that cars and car users will need to be negatively impacted, and that the car needs to become less convenient, both to generate a mode shift to the alternative modes, and to revitalise our cities and our environment.

The current cost of living crisis is likely to offer an opportunity to generate modal shift. As fuel prices rise, people may be more willing to try the bus to save money, however, fares need to be kept lower and competitive with the cost of using a car for this to have an effect. As mentioned earlier, without financial support, bus operators have no other option than to increase their fares. The cost of travel is likely to be one of, if not the key measure, to increase modal share for the bus at the expense of the car.

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