

Written evidence submitted by Shropshire Council (BUS0046)

1.0 Our submission to this inquiry

- 1.1 Shropshire Council seeks to optimise opportunities to share policy and practice and to help to develop and inform national policy and practice, for the greater benefit of our communities. Our collegiate approach is to share practice and evidence with other local authorities through channels such as the County Councils Network (CCN) and the Rural Services Network (RSN), and to submit responses through these channels, to Parliamentary Select Committees, as well as directly to Government.
- 1.2 We are pleased to have this opportunity to respond to this Inquiry by the Transport Select Committee, which has resonances for us as a rural unitary authority and which also provides us with opportunity to collaborate with the CCN on a joint response from rural county authorities to this Inquiry. Our response sets out to complement evidence provided to the CCN & County All Party Parliamentary Group inquiry into rural bus services in 2021.
- 1.3 We were also pleased to provide evidence in a one-off session to members of the Transport Committee by ourselves and Cornwall in July 2020, at which time we shared broader issues and challenges for transport provision in rural areas. This included how funding needs to be directed at rural areas, in order to really kickstart improvements, and the impact that concessionary fares are having upon the finances of the council, due to our demographic and the commercial interests of operations in maximising this income.
- 1.4 Further material may readily be made available, and enquiries may be directed in the first instance to myself.

2.0 Shropshire in Context

Please note that the Context is sourced from the submission made to the BEIS Select Committee September 2020 inquiry re post pandemic growth: Sub Inquiry into “Levelling Up: local and regional structures and the delivery of economic growth”. Minor updates. Acknowledgement is hereby given to the Committee as source.

2.1. Geography and Demography

- 2.1.1 Shropshire is the second largest inland rural county in England, after Wiltshire, and one of the most sparsely populated. Shropshire is approximately ten times the size of all the Inner London Boroughs put together (31,929 hectares), with 1.02 persons per hectare and a population of 325,415 for a terrain covering 319,736 hectares (Source: ONS Census 2011, mid year estimates for 2020).
- 2.1.2 Around 57.2% of Shropshire's population lives in rural areas. There are 17 market towns and key centres of varying size, including Ludlow in the south and Oswestry in the north, and Shrewsbury, the central county town. An additional dynamic is that, unlike for example Cumbria, the population is dispersed across the entire county, rather than there being any areas where no one lives at all.
- 2.1.3 For our communities and businesses, travel to work patterns across our porous borders indicate large numbers travelling for work to the West Midlands, to the South and East, and North and North West, to Cheshire, Staffordshire and Manchester and beyond, as well as into Wales.

2.2 Challenges and approaches

- 2.2.1 Being an inland county brings its own challenges. There is a dependency on a limited number of key arterial transport routes, for trade and supply including freight through the county to Wales and Ireland, or up to the North West, as well as for everyday transport for local communities and businesses. Shropshire also regularly suffers from extreme weather conditions, with roads that are liable to flooding, and a lack of viable alternatives leading to congestion and lengthy diversions.
- 2.2.2 The physical terrain poses practical challenges for digital and physical infrastructure, as well as the high service delivery costs and access issues associated with a dispersed and ageing population.
- 2.2.3 It is within this geographical context of cross border travel patterns, for residents, visitors, and businesses, that we develop and deliver services with and for our diverse communities. The exigencies of adjusting to external factors of climate change and political change including Brexit ramifications, and the economic and social upheaval continuing to be

caused by the Covid-19 pandemic, are allied to the challenges of preserving and maximising our natural capital.

2.2.4 These external factors provide further context to our local strategic and collaborative approaches, which continue to be towards meeting rural and community needs, and in so doing achieving economic recovery and moving towards stability and growth.

2.3 Deprivation and inequality

2.3.1 An emphasis on inequalities within society and within communities, including access to decent and energy efficient housing, healthcare, education and employment, whether by public or private transport or via digital means, should also include better national recognition of geographical and societal interdependencies rather than a separation out of different strands of policy.

2.3.2 The Covid-19 pandemic has demonstrated that we are more dependent upon each other and more vulnerable to a greater range of factors than could perhaps have been imagined.

2.3.3 A collective and cohesive approach towards the structures that we use to develop and deliver public sector services should bring improvements in social mobility opportunities. These need to be considered alongside environmental initiatives around green energy, longer term use of homeworking alongside reduced physical travel and greater recognition of hitherto hidden deprivation and dependencies.

3.0 Our response to the key lines of enquiry

3.1 Question a: challenges facing the sector, and the effectiveness of steps taken by Government and stakeholders in response

3.1.1 “The Perfect Storm”

- Fuel prices were on the rise prior to the Ukraine crisis but the recent price rises have put operators on the edge of affordability to carry out any bus services.
- Driver shortages across all our operators are having an impact on their ability to deliver services, especially as staff absenteeism has been on the rise since restrictions were lifted. Whilst that may be temporary

their resilience has been impacted by recent campaign of recruitment for HGV drivers.

- Low passenger numbers – Many of our operators are reporting that many of their bus services and especially those in the more rural locations are failing to recover to levels beyond 50% of pre pandemic usage.
- Increase in minimum wage for staff will be an additional financial burden for operators (effective from 1 April 2022).

3.1.2 All of these factors have contributed to unprecedented pressures on the operator's abilities to deliver services commercially or at the current rate of council financial support for those services that are subsidised. In Shropshire, we have already received notice of 15 service alterations or withdrawals because of these pressures, and this is taking into account Government support recently announced for the sector, through to 1 October 2022.

3.1.3 In the context of a Shropshire bus network that is significantly under resourced, hence our £98 million Bus Service Improvement Plan (BSIP) bid to the Government to transform services in Shropshire, to realise in a rural area the ambitions of the National Bus Strategy.

3.1.4 The Government's revenue support for the period of the pandemic was certainly of great help to our operators and ensured that operators and services were still here as we transitioned through the different phases of the pandemic. The issue going forwards is that the Shropshire bus network by its rural nature is not recovering at the same speed of its more urban counterparts and will need support for longer.

3.1.5 This is not least because, as we said to the Transport Committee back in July 2020, affordability of Public Transport is a challenge. If we are going to tempt people to switch from car journeys, fares across rural areas are much higher than in many urban areas, as the fares are set by the operators to maximise the potential revenues from concessionary fares and not to attract additional fare paying passengers to the services.

3.2 Question b: progress against the ambitions and targets set out in the National Bus Strategy including the effectiveness, pace and priority of the strategy's implementation

- 3.2.1 Shropshire has created an Enhanced Partnership with its operators and has submitted a BSIP proposal, but there is little we can do to progress these local partnership ambitions without national funding. As with all LTA's we are awaiting the outcome of the BSIP funding submissions, what we do know is that the revenue support supplied during the pandemic has been funded from the original £3 billion funding pot and as a subsequence the funding available has reduced to £1.2 billion.
- 3.2.2 Details of the Enhanced Partnership proposal were submitted to our Cabinet on 23rd March 2022 and approved, notwithstanding the caveat of our needing to await outcomes on funding submissions.
- 3.2.3 The National Bus Strategy provided a welcome focus on improving bus services across the country. The requirement to develop a Bus Service Improvement Plan (BSIP) gave a real opportunity for Shropshire Council to come together with its local bus operators to collectively consider the current bus service offer to residents and how it could be enhanced. The formation of a Bus Partnership that meets regularly has been a useful forum to highlight issues, discuss ideas and put forward potential solutions.
- 3.2.4 The Shropshire Bus Partnership has provided the focus for collaborative working and forms the basis of the Enhanced Partnership. This will in turn facilitate the successful implementation of the planned measures, once levels of funding secured from Government are known.
- 3.2.5 With a relatively modest injection of funds sought through the BSIP, significant improvements can be made to the bus network in Shropshire. More buses, running to more places at more times, with cheaper fares and quicker journey times, will improve the image of buses and increase their contribution towards the better economic, social and environmental well-being of Shropshire's residents.

3.3 Question c: innovation in the sector, including examples of new methods that have been trialled successfully

- 3.3.1 As we mentioned earlier in this response, we have submitted a transformational and innovative BSIP, but a large rural authority like Shropshire will need funding to realise those ambitions, with the bus network itself not capable of self-funding improvements at this time.

3.4 Question d: bus funding over the short and long term

- 3.4.1 The revenue support from the Government for bus services has been warmly received and a continuation of that for rural areas may well be required for a longer period than October, with those networks much slower to recover from the pandemic and the combined impacts of the other factors mentioned above.
- 3.4.2 The question is whether continued revenue support is the answer to keep services as they are or rather the award of transformational monies (as we have applied for) to create a new resilient network that in the longer term needs less support whilst meeting all of the aims of the National Bus Strategy as well as the various local, regional and national ambitions?
- 3.4.3 It also needs to be recognised that when we put bids in ourselves, for example for Active Travel, we are not just competing against authorities with higher population densities: we are also competing against them knowing that the judging criteria is skewed towards urban density. This does not adequately reflect the rural reality for our households, for whom access to facilities and services should be about equitable outcomes compared with those living in urban settings.
- 3.4.4 In our equality, social inclusion and health impact assessment (ESHIA) for our BSIP, we have identified potential positive impact across all nine Protected Characteristic groupings as set out in the Equality Act 2010; we also have a tenth grouping of people that we think about in Shropshire, of Social Inclusion. This is of particular relevance to Shropshire as a large and sparsely populated rural county, as this tenth category is there to help us to seek to ensure that we consider the needs of rural households, households on low incomes, households in fuel poverty, and those we may consider to be vulnerable.
- 3.4.5 For these households, public transport via bus needs to present as a safe and economically viable proposition, as well as one on which they may reasonably depend in order to access education and training, employment, health care, and cultural, leisure, shopping and sporting facilities and services. If equitable outcomes are to be achieved across the country through the Levelling Up agenda, Government funding

needs to more explicitly recognise and factor in these social inclusion challenges and their nuances in rural areas and market towns.

3.5 Question e: decarbonisation of the sector and modal shift from other forms of transport

3.5.1 Modal shift in a rural area such as Shropshire has been changing as a result of the pandemic, with people who need to travel finding alternative modes. We firmly believe that this can be achieved if we have a network that reflects when and how people now wish to travel.

3.5.2 This is why our BSIP submission is so important for Shropshire: our plans can deliver modal shift, the decarbonisation of transport, encourage economic growth, and reduce isolation and loneliness, amongst a number of key benefits. We need the investment to be able to transform our network, to help us to maximise these benefits, as we stand at a pivotal point for rural transport and its future.

April 2022