

Written evidence submitted by Better Buses for South and West Yorkshire (BUS0060)

About Us

Better Buses for South Yorkshire and Better Buses for West Yorkshire are coalitions of local people drawing together the trade unions, environment groups, passengers, and civil society.

We campaign for improvements to local bus services. This includes scrutinising and engaging with the efforts to implement the National Bus Strategy by the South Yorkshire Combined Authority (SYCA) and West Yorkshire Combined Authority (WYCA).

Below we give evidence on several topics, indicating the corresponding call to evidence.

Lack of Financial Support Undermining Long-Term Action

Challenges Facing the Sector / Progress Against NBS Ambitions & Targets

The £3bn 'transformational, long-term funding' laid out in the NBS has been called into question, with reports saying that the "the improvement fund has been reduced to just over £1.2bn, with the government counting emergency support grants to the industry as part of the total figure."¹

The Government said that the "bulk of the £3bn transformation funding will be paid after the transformational changes begin in April 2022."²

However, if the £1.7bn paid to maintain services during the pandemic (2020-2022), before the allocation of funding, counts as part of this transformational funding this has not been the case, undermining the delivery of the bus strategy as intended.

The impact is that many areas have not received funding for their BSIPs, including SYCA. This means that the EPS proposed to start the delivery of the

SY BSIP will not be able to function as intended, preventing the progress of the NBS ambitions and targets.

Furthermore, in West Yorkshire, the mayor (Tracy Brabin) was elected on a pledge to “bring buses into public control” as part of plans for bus reform.

As part of this process, she committed to starting the franchising process in her first 100 days in office by releasing the Notice of Intent, which she did.³

However, the lack of funding support for bus operators has impacted the ability of the mayor to make progress on this ambition as she fights services cuts.

Due to these cuts, WYCA is now diverting funding from its budget for “bus reform” (its franchising assessment) to a “sustainability review” for the network.⁴

This undermines the mayor's ability to deliver on her election mandate to have assessed franchising and, if it is identified as the most appropriate outcome, begin to bring it in. Apart from having ramifications for popular democratic engagement, it also limits the ability of the WYCA to make an accurate decision on how best to deliver the ambitions of the NBS.

Furthermore, the West Yorkshire Combined Authority originally applied for £400m to support its BSIP and the chosen (initial) model of implementation (an EPS). This comprised £168,780,000 in revenue funding and £230,842,000 in capital funding (separate from the £0.95bn requested from CRSTS).⁵

However, the WYCA subsequently learned that it would not receive any capital funding through the NBS for its BSIP and EPS, because it had received CRSTS. It then shifted to reporting its full bid as £168m, ignoring the fact that its BSIP described itself as setting “out that £227,602,000 capital and £168,780,000 revenue is **needed** over the five years of the Plan.”⁶

Clearly, the shifting goalposts on NBS funding will undermine the ability of the City Regions to deliver on the goals of the NBS as they cannot implement the BSIPs they drew up under its guidance.

BSIPs Undermine Implementation of Bus Service Act (2017)

Progress Against NBS Ambitions & Targets

BSIPs are being used to evaluate options for bus reform, despite being documents that incumbent operators had a veto over. This undermines the ability of LTAs to undertake a fair assessment of bus delivery options and means that the option best able to meet community needs could be dismissed unnecessarily. This is best seen in South Yorkshire.

The South Yorkshire Mayoral Combined Authority has decided to evaluate bus franchising as a route for improving bus services, releasing a Notice of Intention to Prepare an Assessment of a Proposed Bus Franchising Scheme on the 22nd of March.⁷

They have indicated that they have and will assess this scheme using the “40 improvement measures” outlined in the BSIP.⁸

For example, they said that: *“The BSIP has been drafted to map out how bus services to customers across SY could be improved and enhanced. This assessment would begin a process to determine how these improvements can be best delivered, either through the enhanced partnership or the franchising model and customers would need to be at the heart of this assessment.”*⁹

The South Yorkshire BSIP itself said that: *“The prioritised activities within this document will also be used to undertake an initial assessment of the legal, financial and technical aspects of a number of future delivery models, including franchising, so that a clear preference can be identified as to the most appropriate mechanism to secure the required improvements beyond the proposed Enhanced Partnership.”*¹⁰

However, BSIPs were required to have the formal support of bus operators to pass: *“In all cases, a BSIP should be accompanied by letters of support from operators representing at least 80% of registered mileage in the geographical area covered by the BSIP.”*¹¹

This means that bus operators had a veto on any ambitions and goals that were set out in the BSIP. Anything they felt too ambitious, or was simply illegal, under the current deregulated model could be removed, undermining the ability of the assessment to return a pro-franchising, even where this is the better option.

It also means that any assessments done on whether franchising or a partnership can better deliver the region's ambitions for bus, will not necessarily reflect the ambition of passengers, local businesses, or the wider community.

In this sense, bus companies can mark their own homework and the NBS stacks the balance of power away from democratic bodies and towards incumbent operators. (Note that Arriva wrote a letter of objection to SY's plans but as it owns too few depots and operates too few services to reach the 20% threshold that would block the BSIP, it made no impact).¹² This makes it less likely that a franchising assessment will conclude that franchising is the best option for a region, even if that is the case.

In this way, the National Bus Strategy is preventing the effective and fair implementation of the Bus Service Act (2017) as “franchising authorities” are not free to judge the best option for bus reform in their region. This impacts the ability of LTAs to deliver on the aims of the National Bus Strategy itself because they cannot accurately identify the best options for improving local services.

Confusion on Funding Requirements

Progress Against NBS Ambitions & Targets

In West Yorkshire, the mayor has repeatedly claimed that the only way to access Government transformational funding was through committing to an EPS.

The press release describing the start of work towards an EPS said: *“an Enhanced Bus Partnership will unlock a share of the £3bn the Government has made available to support bus services during the recovery from the impact of the COVID-19 pandemic.”*¹³

Tracy has also stated that “we can’t access Government funding and make buses better without entering this partnership.”¹⁴

This is despite clear evidence from Government to the contrary, including in its guidance on the National Bus Strategy¹⁵ and in Parliament.¹⁶ This made clear that the funding gate of April 2022 could be passed by any LTA that had released an Nol to franchise.

Campaigners from Better Buses for West Yorkshire met with the mayoral team who claimed that the possibility of access funding through franchising *only* was a power for Manchester alone and that DfT had encouraged the CA to undertake an EPS.

The campaigners submitted an FOI request to the DfT which denied giving such advice and pointed out that both the explicit rules (as cited above) and the practice of these rules (in the case of Liverpool and Cambridgeshire MCAs) were evidence that franchising alone was sufficient to retain access to funding.¹⁷

This confusion at the requirements placed on LTAs around funding has clearly caused issues for the implementation of the NBS ambitions and targets as work has been delayed and complicated by having multiple overlapping processes occurring at once, unnecessarily.

April 2022

Endnotes

-
- ¹ Gwyn Topham, 'UK government pushed to 'come clean' as decision on bus funding looms', *The Guardian*, 21.02.22, available at: <https://www.theguardian.com/business/2022/feb/21/uk-government-pushed-to-come-clean-as-decision-on-bus-funding-looms>
- ² DfT (15.03.21) 'Bus Back Better: National Bus Strategy for England', p.25, available at: <https://www.gov.uk/government/publications/bus-back-better>
- ³ Alexandra Rogers, 'Tracy Brabin's message to voters if West Yorkshire's transport hasn't improved by 2024', *YorkshireLive*, 30.04.21, available at: <https://www.examinerlive.co.uk/news/local-news/tracy-brabins-message-voters-west-20501880>
- ⁴ WYCA (05.04.22) 'Bus Service Funding', §6.2, available at: <https://westyorkshire.moderngov.co.uk/ieListDocuments.aspx?Cid=220&Mid=1154>. "The cost of external consultants to support the analysis required in the sustainability review is £25k and is funded from the approved budget provision for Bus Reform."
- ⁵ WYCA (31.10.21) 'Bus Service Improvement Plan', §5.2.3, pp.89-90, available at: <https://www.westyorks-ca.gov.uk/improving-transport/bsip/>
- ⁶ Ibid. Emphasis added.
- ⁷ SYCA (23.03.22) 'Assessment of a Proposed Bus Franchising Scheme in South Yorkshire Authorised', available at: <https://southyorkshire-ca.gov.uk/news/article/e7ada52a-5e4e-4093-8bf3-b68776e0eeae>
- ⁸ Doncaster Council (28.02.22) 'Options to Support the Delivery of the Region's Bus Service Improvement Plan', §13, available at: <https://doncaster.moderngov.co.uk/ieListDocuments.aspx?Cid=130&Mid=3722>
- ⁹ Ibid. §28
- ¹⁰ SYCA (29.10.21) 'Bus Service Improvement Plan', p.76, available at: https://southyorkshire-ca.gov.uk/Explore_Transport
- ¹¹ DfT (2021) 'National Bus Strategy: Bus Service Improvement Plans: Guidance to local authorities and bus operators', available at: <https://www.gov.uk/government/publications/bus-service-improvement-plan>
- ¹² SYCA (2021) 'Notice of names of operators objecting', available at: southyorkshire-ca.gov.uk/Explore_Transport
- ¹³ WYCA (15.05.21) 'Tracy Brabin moves forward on plans to increase public control over West Yorkshire's bus services', available at: <https://www.westyorks-ca.gov.uk/all-news-and-blogs/tracy-brabin-moves-forward-on-plans-to-increase-public-control-over-west-yorkshire-s-bus-services/>
- ¹⁴ Richard Beecham, 'Stop putting obstacles in the way of improving buses' says Leeds council leader', *Yorkshire Evening Post*, 10.12.21, available at: <https://www.yorkshireeveningpost.co.uk/news/politics/stop-putting-obstacles-in-the-way-of-improving-buses-says-leeds-council-leader-3489162>
- ¹⁵ DfT (2021) 'National Bus Strategy: Bus Service Improvement Plans: Guidance to local authorities and bus operators', p.6, available at: <https://www.gov.uk/government/publications/bus-service-improvement-plan>
- ¹⁶ Rachael Maclean MP, Parliamentary Question, 19/04/21. "From April 2022, LTAs will need to have an Enhanced Partnership in place, or be following the statutory process to decide whether to implement a franchising scheme, in order to receive the new discretionary schemes of bus funding."
- ¹⁷ DfT FOI Response, available on request from Matthew Topham, matthew@weownit.org.uk, "MCAs which issued a notice of intent to pursue a franchising assessment were not required or expected to have an EP in place from April 2022. This process was not reserved purely for Greater Manchester. Cambridgeshire and Peterborough Combined Authority are currently preparing a franchising assessment and Liverpool City Region have completed their assessment and have, as a result, recently announced their decision to operate franchised bus services. There is no requirement for any other MCA in this position to prepare an EP simultaneously. These MCAs were the only Authorities to apply for transformational funding purely based on a franchised bus service."