

**Supplementary written evidence submitted by
the Local Government Association (LGA) (BUS0063)**

Thank you for inviting me, on behalf of the Local Government Association (LGA), to provide oral evidence to your Committee's Inquiry 'National Bus Strategy: One Year On' on 18 May 2022. I was pleased to have the opportunity to set out local government's priorities on buses.

In the evidence session a member of the Committee, Grahame Morris MP, raised that a *'couple of local authority representatives flagged up that the Competition and Markets Authority (CMA) had expressed concerns that the enhanced partnerships would be considered non-competitive and might result in protracted and expensive legal test cases to prove that that was not the case'*. I promised to write to you with further information on this point.

The LGA was unaware of these issues, prior to the concerns being raised at the oral evidence session. We are in regular contact with councillors and officers to discuss transport related priorities, but none of our member councils have raised specific concerns about the potential non-competitive nature of Enhanced Partnerships (EPs).

We have now had the opportunity to look into this further, and our understanding is that some local transport authorities (LTAs) have sought advice from the CMA on their proposed implementation of some of their bus service improvement plan (BSIP) outcomes where, for example, they have a very ambitious set of proposals around fares. It is our understanding from contact with DfT that the issue is not necessarily with Enhanced Partnerships *per se*, because what can be included in an EP is covered by the competition test at Schedule 10 of the 2000 Transport Act 2000.

The Department for Transport (DfT) are leading the Government's policy of promoting Enhanced Partnerships to all areas. Where the CMA are advising that certain BSIP outcomes cannot be achieved, as highlighted by councils in their evidence to the Committee, we would recommend that affected councils/local partnerships should refer to the Department for Transport to help resolve outstanding issues.

Finally, I would just like to take this opportunity to reiterate the importance of buses to local communities. Buses are the major public transport mode in every city, and a lifeline for so many rural communities. Buses rely on revenue spending, but provide significant public goods through cleaner air, less congested roads, and more extensive and affordable accessibility to jobs, schools and public services. As [the Government's](#)

[‘Bus Back Better’ strategy](#) recognises, buses are better when services, fares, and quality are co-ordinated or controlled by local transport authorities.

In the absence of local tax raising powers, public transport in urban and rural settings needs central government revenue funding. It was disappointing that less than half of Bus Services Improvement Plans received funding. A good starting point would be restoring the £700 million estimated gap in funding for the national concessionary fares scheme. In ‘Bus Back Better’ the Government committed to reforming the outdated Bus Services Operators Grant; we would like to see rapid progress on this with funding devolved to local transport authorities.

The LGA is keen to continue working with the Transport Committee to ensure that the voice of local government is heard in this important debate around the future of our public transport network.

June 2022