

Written evidence submitted by Translink, relating to the funding and delivery of public services in Northern Ireland inquiry (FPC0013)

Introduction

Translink is the main provider of public transport in Northern Ireland, operating 13,000 bus and rail services daily. Our fleet of 1,400 buses and trains travel a collective total of 44m+ miles per year, and we operate and maintain a £3bn railway asset, including 300+ miles of track and over 1,600 civil structures.

Our vision is to make public transport everyone's first choice for travel and to lead the transformation of transport in Northern Ireland to Net Zero. We are continuing to grow passenger numbers and support economic growth, as well as connecting communities with a Just Transition to Net Zero.

Transport emits 20% of Northern Ireland's total greenhouse gas emissions, an increase of 22% since 1990, and the biggest contributor is private cars. Poor air quality is also the biggest environmental risk to public health in the UK and contributes to 800 deaths a year in Northern Ireland.

We welcome the opportunity to report to the Northern Ireland Affairs Select Committee on these key issues, and we wish to focus on the need for appropriate funding, and indeed, funding certainty, for public transport in order to deliver essential social, economic and environmental benefits to Northern Ireland.

Service Performance

Translink has high levels of customer satisfaction with 9 out of 10 customers being satisfied or very satisfied in recent surveys. Punctuality of bus and rail services typically operate above 95%, with Reliability above 99%. These figures benchmark well with other UK and Ireland bus and rail operators.

Impact of the lack of a functioning Executive on Translink's Future Plans

Over the next decade, public transport will play a vital role for People, Planet and Prosperity in Northern Ireland.

As a cross-cutting public service, public transport is a key enabler to the social, economic, and environmental wellbeing of Northern Ireland and plays a vital role in delivering the goals within the Climate Change Act (Northern Ireland) 2022 in terms of reducing emissions to meet the legislative requirement to achieve Net Zero by 2050 and the Clean Air Strategy for Northern Ireland.

Public transport is central to the daily lives of many individuals and families, central to economic activity and to the social well-being of the general population.

- 50K school children rely on public transport every day
- 100K young people (16-23yrs) use public transport to get to work or higher/further education
- 500K people use public transport to access medical / dental appointments
- 7m journeys each year using 60+/65+ / disabled concessionary cards

We have significant plans to drive modal shift and transform public transport to Net Zero by 2050, including:

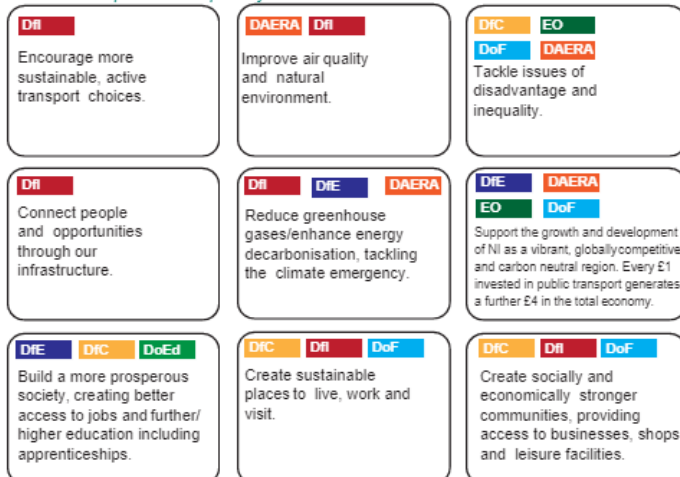
- Investing in frequency, reliability, and reducing journey times across the network
- Decarbonising our bus and rail fleet using electric and hydrogen technologies
- Upgrading rail infrastructure to maintain and renew the rail network
- Enhancing inter-city rail connections Derry~Londonderry – Belfast – Dublin
- Improving accessibility and rolling out integrated contactless ticketing
- Improving bus infrastructure through priority measures and park and rides
- Modernising passenger facilities, including Belfast Grand Central Station

However, public transport funding in Northern Ireland consistently fails to align with these ambitions, which has the potential to cause significant disconnect for communities, jeopardise the path to Net Zero and place obstacles in the path of public transport development.

Translink keenly feels the absence of an Executive in Northern Ireland. We believe that decisions on public transport here are best taken by a locally elected and accountable Executive which understands the public transport needs of the local community and who can prioritise these accordingly.

Public transport has a key role in strategic planning, feeding into a wide range of inter-Departmental decision-making processes and helping to deliver objectives across health, education, economic, social, and environmental portfolios. This is demonstrated by the below image.

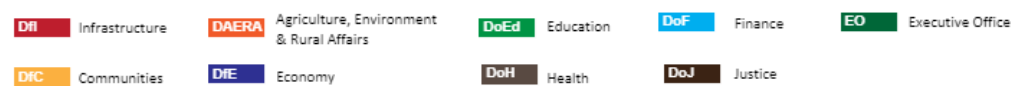
An effective public transport system can enable...



And enable...



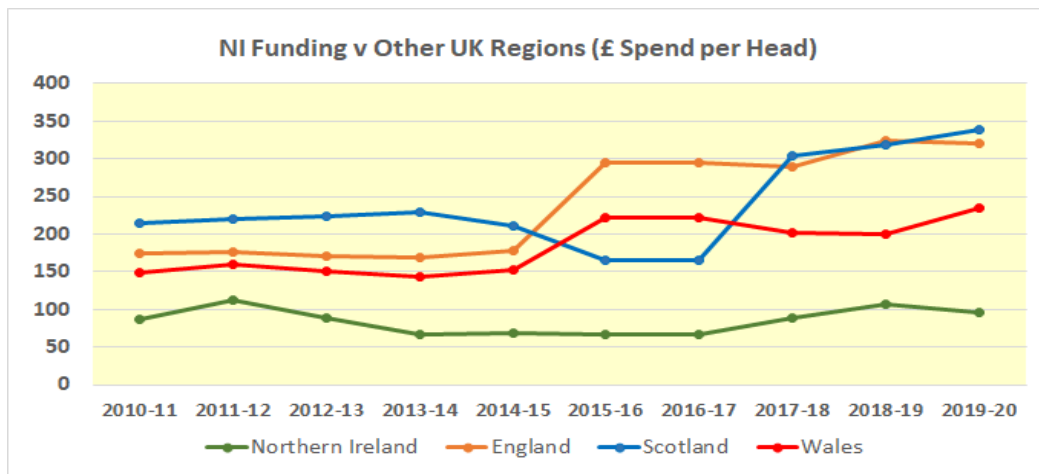
Priority Areas where Public Transport has most impact or enabling effect:



Financial Situation facing Public Services

Translink recognises that all sectors of public service delivery are under pressure. However, it is vital to recognise how public transport acts as an enabler and facilitator of many key Programme for Government priorities, including health, education, and economy as well as a crucial component of Northern Ireland’s Net Zero strategy.

Per-head spending on public transport in Northern Ireland over the last decade has been considerably lower than the UK average (Table 1 below). The independent fiscal commission report also shows expenditure on transport 30% below the UK average.



It is worth noting that Translink does not have similar funding streams that are available in other regions of the UK, eg, Translink does not receive BSOG (Bus Service Operators Grant), Local authority funding from councils, OZEV funding etc.

The budgetary picture during the 2022/23 financial year has been stark for Translink with Public Service Obligation (PSO) funding representing around 10% of the total Department for Infrastructure resource budget.

This situation has led to Translink utilising the company's financial reserves to maintain Northern Ireland's public transport network; this in turn has reduced these to a historically low level, which is not sustainable going forward.

There is now an urgent need to address the ongoing funding crisis for public transport in Northern Ireland. This includes the fundamental need to address the imbalance in funding between public transport and roads in Northern Ireland, this has been highlighted many times since the NIAO report in 2015 and yet little progress has been made.

There is also a case for advocating the ringfencing of the public transport budget to ensure that a variety of cross-Departmental budgets and transformation targets can be met.

If the status quo continues, there will be major cuts to bus and train services across the network. Notably, this would have a significant impact on the NI Railways network, with route closures, and on socially necessary services on the rural Ulsterbus network. In addition, Glider and Metro services in Belfast and Derry~Londonderry would also be impacted.

Effectiveness of the Barnett Formula

Translink recognises the benefits of the Barnett Formula in bringing additional public spending to bear in the devolved nations in line with increased per-head spending in England. However, we note with concern that there is no obligation to spend allocated money on the same policy priority that it has funded in England; so, an increase on long term public transport expenditure in England may see the proportionate increase in Northern Ireland allocated to a wholly different short term policy priority as any Executive may see fit. The ongoing lack of an Executive only compounds these problems.

While this may remain true to the principle of devolution, it does not ultimately assist public transport which is too often overlooked, and funding pressures are left unaddressed, impacting on the long term needs of public transport infrastructure.

Ideally, consideration ought to be given to ensure that additional spending on infrastructure and longer-term policy priorities across the UK, such as UK connectivity, are matched via Barnett Consequentials to support these policy priorities in the devolved areas.

Alternative Options for Increasing Revenue

Ultimately, Translink's ask is for appropriate funding and long-term budgetary certainty in order to effectively deliver the public transport network in Northern Ireland. No public

transport network is sustainable on its own, and a level of subsidy will always be required; it is essential that an appropriate level is provided.

Translink has been very active in improving its financial position through revenue growth and cost efficiencies as required. The company is efficient, with over 95% of funding being spent to deliver frontline services and infrastructure, and with savings of £24m delivered in 2020/21. The recent average fare increases of around 7% will help to grow revenues, however, agreeing a budget for 2023/24 and beyond is crucial to maintain and grow the public transport network in Northern Ireland.

We are also working with the UK Government's Union Connectivity Review, in relation to enhancing connections to ports and airports and are working with key stakeholders on the All Island Strategic Rail Review. We would also welcome BSOG and OZEV funding to be considered across all the UK regions.

Conclusion

Passenger growth since the pandemic has been strong at over 90% of pre-pandemic levels and there is now an urgent need to address 23/24 PSO funding allocation as well as putting the public transport network on to a sustainable long-term footing so that it can play its vital role for People, Planet and Prosperity in Northern Ireland.

The Translink 'Better. Connected' strategy for the next decade details the vital actions required to transform public transport in Northern Ireland, with a clear focus on Continuous Improvement, Climate Action, Customer Focus and Connecting Communities (more details can be found [here](#)¹).

April 2023

¹ [better-connected-2022.pdf \(azureedge.net\)](#)