

27th July 2020

BUS REVIEW RESPONSE

Purpose of Report

This report outlines the proposed framework for how the MCA will respond to the Bus Review and the associated work programme.

Thematic Priority

Secure investment in infrastructure where it will do most to support growth.

Freedom of Information and Schedule 12A of the Local Government Act 1972

This paper will be available under the Combined Authority Publication Scheme

Recommendations

That members:

- Note the findings of the Bus Review and the proposed recommendations.
- Agree the principles for how a response to the Review will be developed.
- Agree the proposed 7-point improvement plan along with the associated timescales and delivery arrangements.

1. Introduction

- 1.1** In February 2019, the Mayor announced a review of the region's bus network. Clive Betts MP was appointed as Chair of this independent review and was supported by a panel of expert commissioners. The purpose of the Review was to investigate the underlying causes of service decline and identify options for improving services. The Bus Review was published on 18 June 2020 and set out 18 recommendations for delivery over the short, medium and long term.
- 1.2** Following consideration of the Review, this paper sets out a proposed set of principles for how the MCA intends to respond along with a 7-point work programme which is proposed to begin immediately.

2. Proposal and justification

- 2.1** The Bus Review investigated the underlying causes of service and patronage decline, gathering evidence from multiple sources including interviews with stakeholders and a public survey, to which 5,900 people responded. The Review highlighted the need for a leader for buses who could drive forward improvements to the system, a role that has been adopted by the Mayor. The Review also identified the following key findings:

- **Frequency:** In many areas of South Yorkshire service frequency is poor or has fallen dramatically.
- **Reliability:** The South Yorkshire bus network experiences significant reliability issues. Over 60% of the respondents to the bus survey were either dissatisfied or very dissatisfied with bus reliability.
- **Climate Change:** Buses need to play a bigger role in reducing road transport emissions and tackling climate change.
- **Policy Alignment:** Despite the National Planning Policy Framework stipulating that new commercial or housing development must be accessible by public transport, the review has found many have little or no service provision.
- **Connectivity:** The Review has found that there is poor connectivity between part of the South Yorkshire bus network and other transport modes.
- **Service Changes:** Passengers felt there is insufficient communication on bus changes without any meaningful consultation.
- **Ticketing:** Passengers are presented with an overwhelming range of ticketing options but little or no information on the best value option.
- **Quality and Accessibility:** The quality of the bus network is variable and the quality of the bus fleet can vary considerably between local authorities and operators

2.2 Given the range of findings and recommendations within the Bus Review, it is proposed that the MCA adopts a set of principles which will frame how it intends to respond. These principles will set out a platform upon which further work will be undertaken to drive improvements on the bus network. They are distilled from the findings of the Review to identify at a high level, the types of measures that need to be considered if we are to deliver meaningful improvement to our bus system.

1. Business as usual is not an option
2. More public and private investment is needed
3. We need to make buses a more attractive option for people
4. New funding sources are required
5. We need to set out what a good integrated bus network looks like
6. We need to change the way we make decisions

2.3 To deliver upon these 6 principles, the following 7 point plan is proposed, which will guide the MCAs work over the coming months:

1. **Governance:** Begin the process for integrating the South Yorkshire Passenger Transport Executive (SYPTe) fully within the Sheffield City Region MCA.
2. **Route Analysis:** Analyse the South Yorkshire bus network to set out a 'whole system' approach that ensures buses run where people want to go both now and, in the future, along with achieving better integration with other modes. This will take a bottom up approach, focussing on each Local Authority area and the need for integrated routes across South Yorkshire. The analysis will look at the volume, role and timings of bus routes, including patronage by route, speed of journey and mode integration. The route analysis will identify the service needed by geographical area, before identifying the gap between where are now compared to where we would like to be and the cost of delivery.
3. **Quality Analysis:** Identify the investment and infrastructure required to improve the quality of service/experience for passengers.
4. **Pricing Analysis:** Consider the cost of using the regions bus services to develop a new pricing and ticketing framework to drive patronage and make it affordable, flexible and attractive. This will include a review of concessions to ensure they meet passenger needs.
5. **Environmental Analysis:** Identify the investment and infrastructure required to meet the MCAs net zero commitments.
6. **Model Evaluation:** Work through the legal and financial implications of changing our current bus service delivery model using the powers available in the Bus Services

Act 2017. This will include consideration of Enhanced Partnerships, either across South Yorkshire or in specific local authorities. It will also consider the long term legal and financial options for other models such as franchising.

7. **Cost Model:** A financial planning exercise working with Local Authorities and bus operators to produce a new cost model to achieve the objectives set out in the above 7 point plan

2.4 It is recognised that there is a need for real change to happen as soon as possible to meet the expectations of passengers. As such it is proposed to adopt an ambitious and accelerated timescale for undertaking this work, with a view to identifying changes which could begin from the 2021/22 financial year. The following timetable is therefore recommended:

- July 2020: Agreement to proceed by the MCA
- August 2020: Commissions are put out to market to undertake the analytical workstreams.
- September 2020: Work begins on the 7 point plan and the MCA receive a report outlining the proposed approach to integrating SYPTTE within the MCA.
- December 2020: The MCA considers interim findings from the analytical workstreams and any immediate changes that can be implemented from April 2021 in order to feed into the January budget report. Recognising that the majority of changes are likely to be implemented in subsequent financial years.
- March 2021: The MCA receives the final output from the analysis and agrees a process for making recommended changes that will be implemented moving forwards.

2.5 To progress this work in the timeframe set out, it is proposed to procure specialist third party support, subject to agreement on funding. As the work strands are interrelated, it is proposed that consideration is given to packaging as much of the work up as possible. This will both assist in accelerating the procurement process and ensure the MCA receives a coordinated output.

2.6 The delivery of this work programme will require input from a range of stakeholders, not least all members of the MCA. It is therefore proposed to form a dedicated Bus Improvement Board which will oversee this work. This will be Chaired by an agreed lead Chief Executive and contain nominated senior transport leads drawn from the Local Authorities, SYPTTE and the MCA Executive Team. The Senior Responsible Officer (SRO) for this work will be the MCA's Director of Transport, Housing and Infrastructure. This Board will report directly to the Mayor and the Chair of the Transport Board.

3. Consideration of alternative approaches

3.1 The MCA could choose to continue with the current arrangements in place for bus service delivery in South Yorkshire. This course of action is not compatible with addressing the issues identified in the review and if pursued would result in a continuation of the decline currently being experienced.

4. Implications

4.1 Financial

Delivering on the proposals detailed in this paper is likely to be capacity and resource intensive. Whilst there is no current budgetary provision for this activity, consideration could be given to emerging funding streams or unplanned draws on uncommitted reserves. Such resource allocation decisions will be considered in the context of other priorities and the latent financial risk in our operating environment. Proposals will be brought back to the Board when a costed delivery plan is developed.

4.2 Legal

The procurement of external support will need to comply fully with Contract Procedure Rules and procurement regulations. Under s.85 Transport Act 1985 the integration of the MCA and PTE legally would require a Statutory Instrument to be laid by the Secretary of State and approved by Parliament. This Order would transfer the rights/liabilities/obligations/property etc. of SYPTTE to the MCA. Changes to the operating model will require specific legal processes to be followed.

4.3 Risk Management

As the Mayor commissioned the independent Bus Review, which included a public consultation exercise and is now in the public domain, there will be pressure for the MCA to respond accordingly to address the issues outlined within the Report.

4.4 Equality, Diversity and Social Inclusion

None as a direct consequence of this report.

5. Communications

5.1 The course of action chosen should be communicated to the public so there is an understanding of the MCA response to the review and the public consultation exercise.

6. Appendices/Annexes

6.1 n/a

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Background papers used in the preparation of this report are available for inspection at: 11 Broad Street West, Sheffield S1 2BQ