

Report title	Bus Services in the City	
Decision designation	AMBER	
Cabinet member with lead responsibility	Councillor Steve Evans City Environment and Climate Change	
Key decision	Yes	
In forward plan	Yes	
Wards affected	All Wards	
Accountable Director	John Roseblade, Director of City Housing and Environment	
Originating service	Transportation	
Accountable employee	Tim Philpot	Professional Lead Transport Strategy
	Tel	01902 555465
	Email	tim.philpot@wolverhampton.gov.uk
Report to be/has been considered by	Directorate Leadership Team	4 October 2022
	Strategic Executive Board	4 October 2022
	Cabinet Member Briefing	7 October 2022

Recommendations for decision:

The Cabinet is recommended to:

1. Approve Variation 002 of the Enhanced Partnership to include the improvements identified in the Bus Services Improvement Plan (BSIP).
2. Delegate authority to the Cabinet Member for City Environment and Climate Change to approve Variation 003 of the Enhanced Partnership following the appropriate statutory consultation process.

Recommendations for noting:

The Cabinet is asked to note:

1. The need to revoke the Advanced Quality Partnership Scheme (AQPS) for bus services in Wolverhampton.

This report is PUBLIC
[NOT PROTECTIVELY MARKED]

2. The proposed Variation 003 of the Enhanced Partnership which will capture the commitments of the AQPS and embed them in the Enhanced Partnership.

1.0 Purpose

- 1.1 An Enhanced Partnership (EP) was made in June 2021 between the Local Transport Authority, the West Midlands Highway Authorities and bus operators, for the purpose of ensuring improved high standards of bus services.
- 1.2 This report provides information on steps necessary to enable the EP to progress and seeks approval for those steps to be taken.

2.0 Background

- 2.1 In September 2021 the West Midlands Combined Authority (WMCA) Board approved submission of the West Midlands Bus Service Improvement Plan (BSIP). All Transport Authorities were required to submit BSIPs to government in Autumn 2021 in response to the National Bus Strategy, setting out ambitious plans to transform the delivery of bus services in the region. The key activities included in the West Midlands BSIP are summarised in 2.13 of this report. All BSIPs were assessed by the Department for Transport (DfT) and in February 2022 Transport for West Midlands (TfWM) was indicatively advised that it was one of 31 Authorities whose plans would be funded by Government, with £87.858 million secured to support delivery.
- 2.2 This funding was confirmed in August 2022 and TfWM advised this would be phased over three years:

Financial Year	Funding
2022/2023	£18,352,626
2023/2024	£36,686,987
2024/2025	£32,818,147
Total:	£87,857,760

The 2022/2023 allocation will be received following satisfactory responses to a number of detailed clarifications received from the DfT which at time of writing are currently being worked through with the requirement for the commitments to be made in an EP scheme. Future years allocations will be dependent upon TfWM demonstrating to the DfT that it has made effective progress in delivery against BSIP commitments.

- 2.3 The Bus Service Improvement Plan, attached in appendix 1, includes many far-reaching commitments that TfWM, Local Authorities and bus operators will work together to deliver. Underpinning this will be a statutory Enhanced Partnership Scheme, which will place binding commitments on partners to adhere to measures, facilities, and standards within the Scheme. In the case of the Highway Authorities these commitments include
 - Retention of existing bus priority interventions
 - Use of powers to enforce compliance with bus priority interventions and acquisition of any relevant new powers

- Management of highways works and use of parking policies to minimise disruption to bus services

The existing Scheme was implemented in June 2021, specifically covering the A34/A45 Sprint route. An EP scheme variation 001 following the expiry of the Birmingham Advanced Quality Partnership Scheme (AQPS) was made in June 2022, and will be varied (variation 002) to include the committed improvements across the wider network as required for the BSIP Funding. The updated scheme has been subject to close partnership working and detailed negotiation with bus operators and Local Authorities and is currently being formally approved through individual Local Authorities' own governance processes. Formal approval has been granted as required by WMCA Transport Delivery Committee (TDC). The latest proposed document is included in appendix 2.

- 2.4 A key deliverable within the BSIP is for an extensive ticket incentivisation programme, intended to provide free or reduced priced travel for a wide range of groups in order to promote bus use, grow patronage and reduce reliance on cars. More details of these proposals are included in appendix 3. Bus ticketing is currently complex and each operator has their own suite of tickets. The multi-operator 'nBus' ticket enables passengers to use all operators' services in the region but has an associated price-premium so usage is limited. The complexity of ticketing can lead to difficulties in promoting clear, consistent messaging about bus fares to users and this acts as a barrier to use, particularly for those not currently familiar with bus use which the incentivisation schemes will primarily be aimed at.
- 2.5 In order to address this, TfWM are pursuing the removal of the price-premium on the multi-operator nBus ticket, such that the price will be reduced to mirror that of single-operator tickets. As a result, this is likely to result in the removal of many operators' individual ticket products and simplify ticketing across the region significantly. Effectively nBus will replace the majority of operators' own day tickets and season tickets and allow for much clearer messaging. It is proposed to implement this in January 2023 through a further variation 003 of the EP Scheme.
- 2.6 A potential consequence of this might be a significant influx of on-the-road competition as operators seek opportunities to benefit from the high numbers of passengers that will have tickets that can be used on any bus. Whilst competition is healthy and necessary in a thriving deregulated environment this may lead to a degree of 'over-bussing' on some routes, with consequential environmental impact and destabilisation of the network. Discussions are ongoing with operators to establish how this can be mitigated, maintaining opportunities for competition whilst limiting adverse consequences through implementation of 'route requirements'. This is where limits would be placed on the number of buses that can use certain stops through variation 003 of the EP Scheme.
- 2.7 In order legally to implement route requirements, the Bus Services Act 2017 requires TfWM to acquire bus registration powers from the Traffic Commissioner. There are a number of benefits to this which mean they are able to:

- ensure service standards and route requirements, set out in the West Midlands BSIP, are met by bus operators
- enable better use of local knowledge within TfWM as opposed to the national body of the Traffic Commissioner. TfWM officers will be better able to scrutinise registrations as they come in allowing prompt action where needed for non-compliance with the Enhanced Partnership.
- allow for a longer period of notice ahead of service changes to better update publicity and information. TfWM can also enforce the conditions by which short notice applications are received to ensure that operators only submit these as a last resort.
- Provide reassurance that the services formally registered align with those previously agreed with TfWM during any service consultation stage.

2.8 Given the detail to enable the removal of the nBus premium and route requirements is still being developed it is proposed that these be included within a further iteration of the Enhanced Partnership Scheme (variation 003). This will also include proposals for a Customer Charter and a further report will be brought to the WMCA TDC for approval in November 2022. There would be no financial or resource implications on the council arising from variation 003 of the EP Scheme.

2.9 Legislation does not enable a geographical area to be covered by both an Enhanced Partnership and an Advanced Quality Partnership Scheme (AQPS). Central Wolverhampton and central Solihull both have an AQPS in place which require specific standards of service provision to be maintained within those areas, and so are not currently covered by the Enhanced Partnership Scheme. Legislation only permits TfWM to take on registration powers for services that operate wholly within an EP area. Therefore, to facilitate TfWM acquiring powers for the whole region it is proposed to revoke the AQPS schemes in Wolverhampton and Solihull and transition the content into the Enhanced Partnership scheme. Formal consultation is required to enable this which will be undertaken and led by TfWM during October 2022; whilst it is proposed to implement this change within variation 003 of Enhanced Partnership Scheme. Variation 003 will also capture retained commitments and requirements of the AQPS so that the higher standards for bus services in the city centre are maintained.

Network Review

- 2.10 Whilst the BSIP is intended to bring about transformational improvement, this is against a backdrop of challenging times for bus operators. Patronage has only recovered to c.82% of pre-covid levels and whilst the network is currently being supported by Bus Recovery Grant provided by government, which was due to end across England in October. In the West Midlands we negotiated funding to maintain this until the end of December 2022 as the very last tranche of funding. However, on 19 August 2022 the DfT announced that there will be further funding to maintain bus services between January and March 2023, but at time of writing the value of funding and method of passporting it are yet unknown.
- 2.11 TfWM have commenced the process of engaging with operators on a regionwide bus network review to bring the network to a more sustainable long-term footing as required by Government as a part of the condition of funding. The scale of this is still to be determined, but it is anticipated a significant number of commercial services may be reduced or cut entirely. Historically, when operators have reduced commercial networks,

TfWM have considered whether subsidy should be provided to keep areas within access standards but the scale of change may necessitate a review of those standards and there is likely to be only limited time for consultation. Officers are working closely with bus operators to understand the likely scale of any service reductions to determine how the impact on customers and communities can be minimised. By the time of the next TDC meeting in November a network will need to be defined, registered and advised to Government. TDC members will be kept apprised through Putting Passenger First (PPF) member briefings and members may request further special discussions with TDC as a result of this if required. In the event that this is not required a further report will be considered at November TDC, detailing the extent of proposed network changes. Demand Responsive Transport and Ring and Ride may play a role in filling any gaps in the network that may arise.

- 2.12 Government have been clear that funding provided through the BSIP cannot be used to prop up services which the network review may propose will be withdrawn. The initiatives included within the BSIP (such as the ticket incentive scheme) are planned to generate additional patronage which will increase profitably of services in the longer term but this funding cannot be used to directly increase the bus subsidy budget.
- 2.13 Summarised below are the key activities associated with the delivery of the BSIP, and there are critical dependencies associated with many of these, as outlined in the report:

By 1st January 2023

- Complete a region-wide Network Review
- 'Bonfire of Bus Tickets' – significant simplification of region's bus tickets
- Fares freeze (ongoing and started in April 2022)
- Passenger incentive programme
- Maximum frequencies on services (through BSA 2017 legislation)
- Registration powers from Traffic Commissioner
- Termination of remaining AQPS agreements in the region and absorbed into EP
- Appoint 9 additional Traffic Safety Officers to improve safety and security across the network.

Activities to follow after 1st January 2023 *(not detailed within this report)*

- Customer charter
- Additional services procured aligned with BSIP commitments
- Monitoring and performance improvements

3.0 Evaluation of alternative options

- 3.1 City of Wolverhampton Council has committed to the provisions of the original EP and EP Plan. The implications of approving the recommendations in this report are a consistent and improved standard for bus service provision in the city, and the benefit of the delivery of the BSIP through funds allocated by the Department for Transport.
- 3.2 Any alternative options may perpetuate inconsistency in service provision, and may result in less benefit accruing within Wolverhampton through the BSIP. There may also be

harmful effects on future funding bids if commitment to the EP is not consistent across all Highway Authorities.

4.0 Reasons for decision(s)

4.1 Now that Government funding has been granted for delivery of the BSIP decisions are required to ensure variation of the EP and realise the benefits arising from implementation of the BSIP. In particular there is a timely need for a decision on Variation 002.

5.0 Financial implications

5.1 There are no financial implications for City of Wolverhampton Council arising from the recommendations in this report for variations to 002 and 003.
[SB/06102022/U]

6.0 Legal implications

6.1 Both variations 002 and 003 must be in writing and agreed between parties.

6.2 The terms and conditions of the variations must be reviewed by the Council to ensure that there are no onerous obligations.
[AS/11102022/A]

7.0 Equalities implications

7.1 An Equality Impact Assessment on the BSIP identified key equality, inclusion and access considerations. These have been embedded within action planning and within the BSIP strategy document. Bus is the main mode of travel for some of the most deprived/disadvantaged communities in the region and the plan proposals are likely to have overall positive impact on different protected characteristics including people from lower socio-economic backgrounds (e.g., through schemes such as ticket incentivisation). Individual BSIP proposals will go through additional impact assessments at design and development stage. The Enhanced Partnership Scheme has also been amended to include enhanced provisions that are likely to have positive impact on bus users. Finally, given the external climate, there are significant equality and access risks as a result of potential reduction in network coverage. Network reviews will need to undergo extensive equality impact to help identify relevant considerations. While Ring and Ride may be able to help mitigate negative impact, the core function of Ring and Ride (supporting disabled people unable to use public transport) cannot be compromised.

8.0 All other implications

8.1 This report has climate change implications in that it seeks to ensure bus travel reliability and quality and so make it an attractive alternative to use of private motor transport.

8.2 It also has health and well-being implications as bus travel generally requires an amount of walking by passengers and this has both physical and mental health benefits. Transfer of journeys from private transport to bus will also result in less congestion with consequent improvement of air quality.

9.0 Schedule of background papers

9.1 Cabinet Report 19 February 2020 – [Enhanced Partnership for Bus in the West Midlands](#)

10.0 Appendices

10.1 Appendix 1: West Midlands Bus Services Improvement Plan

10.2 Appendix 2: West Midlands EP Scheme Variation 002

10.3 Appendix 3: Passenger Incentives Programme