



# Report to Transport, Environment and Climate Change Select Committee

<b>Date:</b>	2 <sup>nd</sup> February 2023
<b>Title:</b>	Public Transport in Buckinghamshire
<b>Cabinet Member(s):</b>	Steven Broadbent, Cabinet Member for Transport
<b>Contact officer:</b>	James Loader, Head of Public Transport
<b>Ward(s) affected:</b>	none specific
<b>Recommendations:</b>	That the Committee note and comment on the content of the report

## 1. Background

- 1.1 The Public Transport Service comprises three separate teams, the Fleet Management Team, Schools' Sustainable Travel Team and the Public Transport Team.
- 1.2 The Fleet Management Team is responsible for managing the arrangements for Council-owned vehicles. There are approximately 200 vehicles managed by the team, including school minibuses, library vans and the vans of the Local Area Technicians within the Highways Service. As well as arranging the purchase and internal leasing of vehicles to client service areas within the Council, the team also oversees the maintenance arrangements for each vehicle.
- 1.3 The School's Sustainable Travel Team are responsible for co-ordinating schools' Travel Plan activities, promoting cycling and walking to schools in particular through the Footsteps and Bikeability initiatives, and the provision of School Crossing Patrollers.
- 1.4 As part of this work, the Team helps and encourages schools to develop Travel Plans through the Modeshift Stars platform, with the primary aims of reducing private car journeys to school or reducing congestion in their immediate facilities. As of December 2022, Buckinghamshire Council has 60 school accredited by Modeshift Stars, making this the top performing large local authority nationally. This area of

work is an important part of the Council's efforts towards improving air quality and reducing carbon emissions.

- 1.5 The Public Transport team manages the network of contracted bus services within the County. This includes services which are not commercially viable, for example rural bus services such as the County Rider in the Buckingham area or less-viable urban or near-urban services like services 27 and 28 in High Wycombe. This also includes the Demand Responsive Transport pilots, produces publicity and information regarding bus services, including at the roadside and on the internet, and relays the impact of roadworks and road closures to bus companies. The team also maintain a relationship with commercial bus operators and produce the annual Bus Service Improvement Plans.
- 1.6 This briefing covers the activities of the Public Transport Team, with a particular focus on the ongoing Demand Responsive Transport pilot in High Wycombe and the overall status of the bus network in Buckinghamshire.

## **2. Main content of report**

### **Legislative and Policy Context**

- 2.1 In England, outside London, bus services are deregulated. This means that commercial bus companies may, at their sole discretion, run bus services that are open to the public provided that they are registered with the Office of the Traffic Commissioner. This includes the routes these services run, the fares that are offered and the timings and regularity of the service. These are services that are considered as being run "commercially".
- 2.2 Under the Transport Act 1985, the Council has the power to provide bus services in addition to those which are operated commercially, but only where said services are not already provided or not provided to a requisite standard.
- 2.3 As of 2021, each year Local Transport Authorities are required to produce a Bus Service Improvement Plan (BSIP). This sets out the Council's aspirations towards improving and developing bus services within the County. It acts as a *de facto* bidding document against which the Department for Transport (DfT) may award funding to the Council to implement some or all of the measures within it. Disappointingly, despite having developed an ambitious and compelling BSIP for Buckinghamshire, the Council, along with circa 30 other Local Transport Authorities, received no funding from DfT in connection to the first BSIP. The current [BSIP](#) is published on the Council's website.
- 2.4 The BSIP acts as a statement of intent from the Local Transport Authority, against which further funding allocations may be judged. This will lead to the formation of an Enhanced Partnership between commercial bus companies and the Local

Transport Authority, which is the delivery mechanism for any future funding which may be awarded. Buckinghamshire Council is currently working on our Enhanced Partnership, which is intended to be completed during the Spring 2023.

### **Bus Services update**

- 2.5 The Council has a net budget of circa £2.05 million net budget, which supports:
- wholly-contracted services in rural areas or suburban areas which are not served comprehensively by the commercial network, or
  - subsidy to commercial operators to make minor adjustments to their commercial network to provide an additional level of service than might otherwise be commercially viable.
- 2.6 In Buckinghamshire there are 95 bus services provided in total, of which 28 are supported in their entirety by the Council. In 2019/20, which is the most recent years' worth of data published by the Government that was not significantly impacted by the COVID-19 pandemic, there were 7.8 million passenger journeys made on local bus services within Buckinghamshire, with 11.8 million miles operated by bus companies of which 2.2million were supported by the Local Authority.
- 2.7 The COVID-19 pandemic has had a dramatic impact on bus usage nationwide, with a 90% reduction in bus usage at its lowest point during the Spring and early Summer of 2020. However, by May 2022, usage had recovered to around 80% of its pre-pandemic levels, although this recovery has been slower for older persons and those with a disability. Full data tables charting the recovery of the bus network in the year to May 2022, along with a narrative discussion around the current situation, is included within the [BSIP](#)
- 2.8 Bus companies have been receiving various means of support from the Government during the pandemic. Initially this was through Covid Bus Service Support Grant (CBSSG) during the first year of the pandemic and latterly through Bus Recovery Grant (BRG). These grants are intended to providing funding which somewhat mitigates the gap between actual revenue lost and the revenue required to maintain the current level of service across the bus network, with the aim of averting mass reductions in service during the recovery period. BRG is due to end at the end of March 2023.
- 2.9 Local Transport Authorities have also been eligible for grants to support services which run under contract, under CBSSG initially and latterly through the Local Transport Fund (LTF). Buckinghamshire Council is in receipt of these grants, which are being used to support the non-commercial bus network as required.

- 2.10 The increase in the rate of inflation and the general cost of living is having an impact on the bus industry. Fuel prices, labour costs and the cost of parts have also risen sharply in 2022, as has been well documented nationally. In addition, there has been a national shortage of drivers dating back to the autumn of 2021 and whilst that has reduced over time, companies have increased their rates of pay in order to attract and retain BRG. BRG is due to end in March 2023, with no replacement announced by Government as yet. Bus companies are still having to deal with usage figures which are below their pre-pandemic levels and with cost increases associated with wider market pressures. This presents them with a challenge on the level of certainty over their commercial network and may additionally present a challenge to Local Transport Authorities if there are new gaps in service that we may be required to address.
- 2.11 Buckinghamshire Council has an active and positive relationship with the main bus operators within the County. Over the Summer of 2022, a series of “Network Review” meetings took place, as was required by the Government, aimed at mitigating against a scenario where BRG ended in October 2022 (as was originally intended). This resulted in the successful rationalisation of parts of the network to reduce competition between commercial operators meaning that the resources of the bus companies could be more efficiently distributed without an unacceptable loss of service.
- 2.12 So far, only one service has been lost entirely as a result of the cost increases and reduced usage, a service between Chesham and Uxbridge although many of the constituent parts of the service are maintained through other parallel services.
- 2.13 However, as BRG comes to an end and operating costs remain high, commercial operators may need to make additional difficult decisions about more-marginal parts of the network. The Council will be required to work with operators to attempt to mitigate loss of services on these parts of the network. Ultimately the bus operators will be responsible for these decisions and due to the deregulated nature of the market, the Council’s ability to influence and intervene in such decisions is limited.
- 2.14 Whilst inflationary pressures on the Council’s £2.05m local bus subsidy budget can for the moment be offset by the LTF grant, if there are significant additional calls on this budget where services are withdrawn then decisions over what is affordable to the Council would need to be taken and may include:
- a) Whether to preserve the withdrawn service at all or at a reduced level, attempting to cover key movements
  - b) Whether to reduce other services to cover the additional expenditure within the existing budget
  - c) Whether the existing budget needs to be increased in order to fund additional services

- 2.15 The Council is beginning work on a review of the criteria and strategy behind the spend of the bus subsidy budget, to ensure that decisions to subsidise routes are appropriate, transparent, and achieve the best value for money and outcomes for passengers in Buckinghamshire. This work will be carried out during 2023/24.
- 2.16 The Public Transport Team will also take a role in delivering on improving air quality and reducing carbon emissions through the bus industry. Data collected as part of the BSIP update in the autumn of 2022 told us that over one third of buses on the network in Buckinghamshire are at EURO VI standard which is the cleanest standard of diesel vehicle available. Public Transport is, of its own accord, an excellent way of making a difference in this area where one full single decker bus could take up to 40 single-occupancy vehicles off the road.
- 2.17 There is, understandably, a continued interest in the move towards alternatively fuelled vehicles - such as electric buses. Aside from the need for funding to effect change in this area, one of the other primary constraints is the capabilities of operators to upgrade facilities at their depots and whether the National Grid can support this in their localities. Work to explore and understand these constraints is just beginning and the Public Transport Team will feed into this with a view to ensuring that the Council is in a good position to react if and when future Government funding in this area is announced.

## **Demand Responsive Transport**

### **High Wycombe**

- 2.18 Buckinghamshire Council were successful in submitting a bid to the Rural Mobility Fund (RMF) in 2020. This provides part-funding for two pilot schemes in High Wycombe and Aylesbury. These are two out of seventeen such schemes in the Country, and only one other local transport authority was awarded funding for two schemes.
- 2.19 £736k was allocated to a scheme for High Wycombe that covers the suburban villages and areas of Booker, Loudwater, Wooburn Green, Daws Hill, Wycombe Marsh and Daws Hill.
- 2.20 Demand Responsive Transport is a flexible type of bus service that allows users to book their journeys on demand as they require it, between any two points within the operational area. This is instead of a traditionally routed and scheduled bus service but at fares that are in line with them.
- 2.21 The High Wycombe scheme launched in September 2022 following a procurement exercise that awarded a contract to Carousel Buses, who partner with technology provider Via, who are also providing the technology solution to 11 other Rural Mobility Fund schemes.

- 2.22 The service is operational five-days-a-week between the hours of 6am and 7pm. Passengers may book the service through an app, which shows the live position of the bus and other journey options available to them, or through a dedicated telephone line to a staffed control centre at Carousel Buses depot in High Wycombe. This ensures that those without access to an internet service can utilise the service. The service in High Wycombe is known as "[Pick Me Up](#)".
- 2.23 At the time of launch extensive marketing took place, including a leaflet door drop to households in key areas, to new arrivals at the Bucks New University and to key interested organisations. There was also a radio campaign that ran through local digital radio channels up until December 2022.
- 2.24 Bookings can be made in advance, by up to two weeks, or "on demand" with a target arrival time of 20 minutes. Passengers can also book for themselves, plus travelling companions. Because it is pre-bookable, there is certainty that that there will be wheelchair space available for anyone who needs it.
- 2.25 Close to 100 passengers per day were travelling by the end of the first week of service and by December 2022 this had increased to 220 passengers per day, when the milestone of 10,000 individual journeys was reached. Other key statistics include:
- a) In the region of a third of bookings made are in advance, rather than in real time.
  - b) Each vehicle is completing an average of 3.2 passenger trips per hour across the whole day, with this being higher at peak hours.
  - c) The app allows users to rate their experience at the end of their journey, with this giving an average rating of 4.9 out of 5 stars to date based on approximately 700 user ratings.
  - d) Around 20% of journeys are made by a concessionary pass holder, which is lower than traditional bus services where this figure is usually around 35-40%.
- 2.26 Usage is taking place across the whole geographical pilot area, with many journeys ending or starting in the town centre and rail station. Key origin points include Booker, Daws Hill and Wycombe Marsh. Many students are using the service to access education, with other use cases showing residents using the service to access the coachway or railways station for onward connections.
- 2.27 In December 2022, during the first contract review meeting with the providers, it was noted that the service was starting to become saturated at peak times, particularly on school days, with some challenge to meet demand within service expectations at peak periods. The scheme has been extremely successful and whilst it was considered that demand may present a challenge at some point within the

pilot period, this has arisen earlier than was anticipated. Work is on-going with the scheme providers to assess the options available to us to address this going forward.

- 2.28 Negative comments since service launch have primarily related to the coverage area of the scheme and that there are parts of the town in which the service is not available. The area of coverage was determined during the bidding process in conjunction with the Department for Transport and industry experts. Recurring mentions for areas that are not within the service area include Hazlemere, Terriers and Flackwell Heath.
- 2.29 Part of the future development of the service will be to test options for expanding the service and there is the flexibility to do this, provided that it is financially feasible and that it can be operated reliably. Some of these unserved areas would be more straight-forward to incorporate but all would need to be modelled in conjunction with the current service providers before implementation. In particular, Flackwell Heath sits between Wooburn Green and Daws Hill, which are both on the service and so this may be more easily incorporated than Hazlemere, for example. There are also clear environmental benefits where the service is passing through an unserved area regularly and could collect passengers on that route.
- 2.30 As a national project, the High Wycombe scheme is just one of seventeen awarded funding by the DfT. These are pilot projects being tested by the Department for Transport to ascertain where DRT is and isn't successful and regardless of the longevity of the service beyond the pilot period locally, there will be learning that can be shared nationally on the possibilities that DRT can offer.

### **Aylesbury**

- 2.31 A similar DRT scheme for Aylesbury was also procured during 2022 and it was anticipated that the scheme would launch in the months following the start of the High Wycombe scheme. Arriva the Shires were the successful bidder and therefore entered discussions with the Council for the award of the contract.
- 2.32 Disappointingly, Arriva have recently withdrawn from this process and have advised that they are no longer able to provide the scheme, citing increased operational costs, including increases in fuel and wage costs, as the reason that they are unable to honour their original bid.
- 2.33 The good performance of the High Wycombe DRT scheme demonstrates that services of this nature can be successful and do have a place within the local transport network. We remain committed to funding the scheme for the Aylesbury area and have had positive discussions with the Department for Transport (DfT) about the Council's ongoing participation in the Rural Mobility Fund.
- 2.34 As part of the re-procurement process for a provider to operate the Aylesbury area DRT pilot, we are reviewing and carefully considering the scope of the scheme and

options available to ensure that it is affordable and commercially viable, given current wider market pressures. This could include a small reduction in the operational hours of the service such as the removal of service provision on Sundays and the later service on weekday evenings, so to ensure that it is viable within the fixed budget available. This would also bring the service more consistently in line with the High Wycombe DRT scheme.

- 2.35 The re-procurement process will commence in January 2023, and it is anticipated that the process will be completed by May 2023, with the scheme then commencing in the late summer/early autumn of 2023.

### **3. Legal and financial implications**

#### **Legal implications**

- 3.1 S63 of the Transport Act 1985 states that: “In each non-metropolitan county of England and Wales it shall be the duty of the county council— (a)to secure the provision of such public passenger transport services as the council consider it appropriate to secure to meet any public transport requirements within the county which would not in their view be met apart from any action taken by them for that purpose”
- 3.2 S1 of the Concessionary Travel Act 2007 requires Buckinghamshire Council to issue, free of charge, a permit to anybody who “appears to the authority” to be an elderly or disabled person entitling them “to a concession consisting of a waiver of the fare for the journey by the operator of the service”. S3 of this Act states the Council must reimburse operators for the acceptance of this permit.

#### **Financial Implications**

- 3.3 Buckinghamshire Council has a net budget for the support of local bus services of £2.05 million in 2022/23. The Council has been paid three instalments of £207,000 of the Local Transport Fund to offset cost pressures and revenue losses as a result of the Covid-19 pandemic and the ongoing recovery, which will limit the Council’s exposure to inflation in the short-term.
- 3.4 Once the local transport fund is fully committed, there is the potential for these inflationary pressures to translate into budget pressures.
- 3.5 The Council has a £4.89 million budget for the reimbursement of operators in respect to the English National Concessionary Travel Scheme. The Council’s current scheme of reimbursement is published <https://www.buckscc.gov.uk/media/4518048/bc-encts-scheme-details-22-23.pdf>.



3.6 The Council was awarded £736k under the Rural Mobility Fund for the High Wycombe Demand Responsive Transport Scheme, matched with up to £2.02 million of section 106 contributions from Daws Hill.

## 4. Corporate Implications

4.1 The support of local bus services links to the Council's corporate priorities in the following ways:

- **Increasing prosperity** – public transport use dropped significantly during Covid-19, and is yet to fully recover. Provision of public transport is critical to reducing car use and carbon emissions as well as supporting social mobility and equality by providing access for individuals to education, jobs and work.
- **Strengthening our communities** – public transport provides access to work and access for our communities to essential services, including to medical and social provision, and links to wider infrastructure for those living in rural communities.
- **Improving the environment** – the Council is committed to net zero carbon emissions by 2050 at the latest. There is a need to reduce car use by providing more passenger journeys in a cleaner greener way. A walk to a bus stop or collection zone can also positively impact health and well-being.
- **Protecting the vulnerable** – public transport provides safe essential services for vulnerable users enabling and providing equality of access and supporting well-being.

## 5. Next Steps and Review

5.1 The keys next steps for the Public Transport Service are as follows:

- a) To present a report to the Transport, Environment and Climate Change Select Committee in February 2023.
- b) The procurement of a Demand Responsive Transport scheme for Aylesbury between January 2023 and May 2023, ahead of an anticipated start date in the summer/autumn of 2023
- c) The delivery of the Bus Enhanced Partnership Scheme - operator consultation is currently taking place and will be followed by a key stakeholder consultation, with a view to forming the Enhanced Partnership by April 2023
- d) Bus service retendering - a routine programme of retendering local bus service contracts is taking place in between now and August 2023.