

Appendix 4

Bus Service Improvement Plans: Summary and Commentary on the Guidance to Local Authorities and Bus Operators

1. The Guidance notes that the National Bus Strategy sets out an ambitious vision to dramatically improve bus services in England outside London through greater local leadership, to reverse the recent shift in journeys away from public transport and encourage passengers back to bus. Local Transport Authorities (LTAs) and local bus operators must work at pace with local communities to plan and deliver a fully integrated service with simple, multi-modal tickets, more bus priority measures, the same high-quality information for all passengers in more places, and better turn-up-and-go frequencies that keep running into the evenings and at weekends.
2. The Guidance states that there can be no return to a situation where services are planned on a purely commercial basis with little or no engagement with, or support from, LTAs. Bus Service Improvement Plans (BSIPs) are how LTAs, working closely with their local bus operators and local communities, address this – by setting out a vision for delivering the step-change in bus services that is required by the Strategy. However, a subsequent presentation by DfT entitled ‘Delivering the National Bus Strategy’ noted that Enhanced Partnerships (EPs) can cover anything **except structure of commercial bus network and single-operator fare levels**. This appears to be a reminder to LTAs that the EP does not enable them to force operators to change their commercial bus network or the basic fare structure, both of which can only be achieved through mutual agreed negotiation.
3. A BSIP is confirmed as the essential first step in the process, as it will represent the extent of the ambition, delivered through an Enhanced Partnership or franchising, that will be critical when Government decides how new funding is allocated.
4. The Guidance confirms that, by the end of June 2021, to be eligible for continued access to COVID-19 Bus Services Support Grant (CBSSG) every LTA must have published a statutory notice that they intend to prepare an EP Plan and Scheme.
5. Although the original Guidance to EPs dated 2017 is referenced by the DfT, it is noted that where there are any potential conflicts, the BSIP Guidance and the National Bus Strategy represent the Government’s current views and supersede the non-statutory aspects of the 2017 EP Guidance. A revised EP Guidance is anticipated to be published in June 2021.
6. The Guidance notes that the decision on whether to pursue a franchising route or an EP (as both are statutory routes) needs to be an informed one, taken in the best interests of local people. Before a notice(s) of intent is issued, each LTA must discuss both options with their local bus operators. This will provide an important opportunity to influence the way forward and table proposed partnership measures that, taking into account the ambitions and agenda driven by the Strategy, they believe will quickly deliver the dramatic improvements to bus services that are required. Initial discussions have taken place with the major operators in East Sussex, and all have expressed their preference for an EP rather than for franchising.
7. Where an LTA decides to pursue an EP, the BSIP content will set out a high level vision and key interventions to deliver it, with the EP plan containing the detail of how they will be delivered, so that the documents make up a blueprint for bus service improvement. The BSIP will need to be developed in collaboration with bus operators; and other stakeholders such as bus user, service provider and local business groups should also be consulted. LTAs may wish to make an outline estimate of funding needed, accepting that it will be broad and not definitive at the time when the BSIP is shared with the DfT by the end of October 2021. Further information regarding funding streams, which will be for both revenue and capital expenditure, will be provided this summer.

8. The Government anticipates that two tranches of funding will be available, one allocated by formula to all local authorities based on the overall quality of their BSIP, together with other relevant information; and a separate tranche of funding for specific larger schemes.
9. In assessing the overall quality of BSIPs, the Government will give particular weight to measures which support local bus markets as they emerge from the pandemic, for example bus priority and targeted fares reductions. BSIPs will enable the Government to understand the appetite for transformational investments which support the bus sector in the funding period and over the long term (i.e. beyond 2025). In relation to specific schemes, the BSIP will be assessed as a Strategic Outline Business Case (SOBC). Further assessment will be required after the SOBC stage and additional guidance on the assessment process will be issued as part of the funding guidance mentioned above.
10. To support LTAs in forming partnerships and developing BSIPs, the Government is going to make £25 million available in the 2021-22 financial year to improve LTA capacity and capability to deliver BSIPs, EPs and franchising assessments.
11. As part of the wider reform of the Bus Service Operators Grant (BSOG), the Government will consult on linking payment of that reformed grant to BSIP commitments. Government will also take into account an LTA's performance with respect to the policies set out in the Strategy when considering funding allocations for wider, non-bus local transport schemes.
12. In determining their BSIPs, LTAs may also join together to produce a single BSIP – particularly where local economies and travel patterns overlap significantly. It is anticipated that LTAs will collaborate to resolve any cross-boundary issues. In view of the size of East Sussex, it is not thought by the operators consulted that the LTA needs to join with any adjoining authority and that a single BSIP for East Sussex will be perfectly acceptable, although close liaison with Kent, Surrey, West Sussex and Brighton & Hove Councils will need to take place.
13. It is not expected that BSIPs will be long, complex documents, nor will they be taken as definitive or immutable commitments or statements of intent on the part of the Authority. Their main purpose is to get everyone thinking about what questions need to be addressed in the area, to explore possible answers, and to provide an early basis for funding decisions in the autumn and winter in preparation for the financial year 2022/3 when transformational funding begins.
14. In formulating their BSIPs, it is mandatory that LTAs seek and report the views of passengers and third parties on the merits and demerits of bus services locally and the performance of the LTA and the local operators. These should include local transport users' groups, MPs, local services and business organisations and so on.
15. The Government notes that there must be significant increases in bus priority to make bus services faster and more reliable. Plans for bus lanes on any roads where there is a frequent bus service, congestion, and physical space to install them. Bus lanes should be full-time and as continuous as possible. They should be part of a whole-corridor approach, including other physical measures such as traffic signal priority, bus gates (which allow buses to enter a road that prohibits access to other traffic) and clear and consistent signage for traffic and for bus users.
16. The Government notes that LTAs should consider physical changes to road layouts to allow the provision of continuous bus lanes and where there is insufficient space for a bus lane, LTAs should consider point closures of some main roads to private cars, allowing through traffic on other main roads nearby. The extent to which individual LTAs commit to new bus priorities in their BSIP will be an important indicator of ambition as well as providing confidence to bus operators in the EP commitments of both sides.

17. DfT will consider proposals for capital investment as Strategic Outline Business Cases. LTAs should therefore describe corridors and potential packages of measures at a high level but will not need to have identified a preferred option.
18. The National Strategy envisages a general reduction in fare levels, however lowering fares will either have to be a commercial decision for each operator or may require subsidy from the LTA – which each operator would negotiate separately with the LTA. Entering into any type of fares subsidy needs to be thought through carefully as it represents an ongoing revenue commitment by the LTA.
19. BSIPs are expected to set out at a high level what is required to deliver no-fuss, multi-operator tickets and price caps on contactless credit and debit cards, at little or no premium to single operator fares, and where appropriate how this could be expanded to tickets that cover all travel modes (bus, light rail/metro, rail). All buses should accept contactless payment and all operators running on the same route should accept the same tickets. In the case of East Sussex, much progress has already been made in delivering these aspirations, thus it is considered that this should be relatively straightforward to achieve.
20. The Guidance requires all LTAs to work with bus operators and energy providers to include ambitions to decarbonise the local bus fleet in their BSIPs. DfT expects to see the relative ambition of areas reflected in these plans, with an expectation of all an area's fleet moving to zero emission in the long run.
21. BSIPs must include a passengers' charter giving bus users rights to certain standards of service, including punctuality, vehicle cleanliness, proportion of services operated, information and redress. There must be mechanisms for redress at a local level and means to ensure these standards are met, which could include forums such as establishing Bus Advisory Boards. This will be backed with action at national level as set out in the Strategy.
22. BSIPs will be 'living' documents and can be altered (and republished) if the LTA, working closely with its bus operators, believes this is necessary. BSIPs should be revised at least every twelve months to ensure they remain relevant and that the plans within it are working as intended.
23. The Government believes that if a BSIP is to be effective, a forum should exist for the free and frank exchange of views, data and ideas from its members on how to improve bus services in the BSIP's geographical area. Its members will of course include all local bus operators and those running cross-boundary services. However, there will be other groups that can contribute, such as bus user groups and representatives of disabled people, and local business groups.
24. Operators are expected to work together on proposals for measures in the BSIP and the EP and need to agree who will pull together and present the collective bus industry view when commenting on or providing written content for BSIP drafts. This can be for the whole BSIP development process or for individual sections/meetings. It is recognised that operators can hold their own separate meetings to discuss and formulate their proposals and draft content for discussion with the LTA. It is necessary and perfectly acceptable for local bus operators to have private discussions on the drafting suggestions that they intend, as a group, to share with the LTA in the forum.
25. In terms of timescales, the BSIP must be produced by the end of October 2021 and once this has been agreed and the Government has set out the funding that it will provide, specific measures can be included in an EP. This will include both commitments by the LTA and reciprocal ones from bus operators.

26. The BSIP should be accompanied by letters of support from operators representing at least 80% of registered mileage in the geographical area covered by the BSIP. In the absence of this, the LTA must explain why this level of support is not achievable.

Initial Indicated views of the Major Bus Operators in East Sussex for Enhanced Partnerships

Separate initial meetings have been held with Stagecoach South East, Compass Travel and Metrobus/Brighton & Hove, being the three main bus operators in East Sussex. These companies all expressed enthusiasm to work closely with the County Council in developing both the BSIP and the EP. They agreed to make data available for in-depth analysis.

The following table shows the operators' views and aspirations.

TOPIC	OPERATOR VIEWS
Shape of the EP	<ul style="list-style-type: none"> • General desire for simplicity and minimum paperwork • Agreement that rural areas may need to be treated differently to urban areas • No expectation that the BSIP or EP would be joint with neighbouring authorities
Priorities for inclusion in the EP	<ul style="list-style-type: none"> • Bus priority measures such as bus lanes, bus gates and traffic light priorities universally the highest priority – considered critical for improved reliability and to provide the basis for improving bus services • Parking enforcement noted as a significant problem – illegal parking slows services and blocks bus stops • One operator noted that some of the better used supported services might benefit from increased frequencies • A general feeling that new residential and commercial developments would benefit from earlier engagement of bus operators • Roadworks noted as a problem in terms of notice and proper planning for diversions • Further improvements to Intelligent Transport Systems possible, such as real time information and apps.
Fares and Ticketing	<ul style="list-style-type: none"> • Accepted the need to simplify ticketing • Accepted the need to extend multi-operator ticketing • Made the point that if bus operators are expected to take commercial risks regarding fares revenue decisions on fare levels should remain with them • Saw some potential to target lower fares at specific groups of passengers such as young people • General feeling that improving fares and ticketing had progressed in East Sussex but room for further improvement
Low emission buses	<ul style="list-style-type: none"> • Generally accepted there would be a move to battery electric and hydrogen fuel-cell buses • Two operators actively involved in funding opportunities for hydrogen fuel-cell buses in East Sussex • General concern that the pandemic has made it difficult to justify capital expenditure
Bus Passenger Charters and Bus Advisory Panel	<ul style="list-style-type: none"> • No current examples in East Sussex • Keen to ensure any advisory body could be kept to a strategic level • Some operators had examples of customer liaison elsewhere which could be used as a basis
Rural services	<ul style="list-style-type: none"> • Some interest in Demand Responsive Transport (DRT) but felt it necessary for the technology and vehicles to improve to be more financially sustainable • Some felt that a more frequent service to connect with existing commercial services would improve the transport opportunities for very rural areas
Concept of County Council taking over the task of managing bus registrations from the Traffic Commissioner's Office	<ul style="list-style-type: none"> • Two operators had no firm views either way whilst one thought it would be beneficial • Clearly resource and financial implications for the Authority