

**Report to:** Lead Member for Transport and Environment  
**Date of meeting:** 18 July 2022  
**By:** Director of Communities, Economy and Transport  
**Title:** East Sussex Bus Service Improvement Plan  
**Purpose:** To consider the proposed apportionment of the DfT's indicative Bus Service Improvement Plan (BSIP) allocation and the draft Enhanced Partnership (EP) Plan and Scheme.

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**RECOMMENDATIONS:** The Lead Member is recommended to:

- (1) Approve the high level apportionment of the Government's indicative Bus Service Improvement Plan (BSIP) allocation as detailed in Appendix 1;**
  - (2) Approve the draft Enhanced Partnership (EP) Plan and Schemes to allow us to proceed in to the statutory process to 'make' the EP Plan and Scheme as detailed in Appendix 2 and C;**
  - (3) Approve that the underspend from the Transport Hub budget can be used to fund the early implementation of some of the BSIP fare reduction proposals and to delegate to the Director of Communities, Economy and Transport the authority to finalise these proposals; and**
  - (4) Agree to delegate to the Director of Communities, Economy and Transport the authority to finalise the apportionment and amendments to the Draft EP Plan and Scheme following further technical work and from feedback from the DfT.**
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## **1 Background Information**

1.1 On Monday 15 March 2021 the Government launched "Bus Back Better", a new bus strategy for England (outside London). It aims to rejuvenate local bus services, making them attractive for passengers, cheaper, easier to understand and use, faster and more reliable, and greener. It acknowledges the decades-long decline in bus patronage nationally and points to towns and cities which have bucked the trend, increasing passenger numbers with coordinated services and investment. Greater use of buses, and more buses being zero emission, will contribute to Government's central objectives: carbon net zero and levelling up.

1.2 The government strategy placed new requirements on local transport authorities (LTAs) to develop Bus Service Improvement Plans (BSIPs) and set up Enhanced Partnerships (EPs) with local bus operators, with actions on networks and services, fares and ticketing, passenger facilities, and highway bus priority measures.

1.3 At the Lead Member for Transport and Environment meeting of 25 October 2021 approval was given to the Aims, Objectives, and Proposals in the draft BSIP and delegated authority to the Director of Communities, Economy and Transport to finalise the BSIP. This was subsequently submitted to the Department of Transport by their 31 October 2021 deadline.

1.4 The Covid pandemic has significantly reduced use of bus services since March 2020. Bus operators and local transport authorities have been reliant on Government Covid bus support funding to maintain the current bus network. June 2022 bus passenger numbers in East Sussex have so far only recovered to around 80% of their pre-Covid levels. Government has announced the Covid bus support funding will end in October 2022. Local transport authorities and bus operators have been directed by Government to work together to plan revised bus networks in their area to take account of changing customer demands on lower funding levels. This also comes at a time of higher operating costs for bus operators, resulting from pay increases to bus drivers so as to be able to ensure sufficient staff numbers, and significant fuel price increases.

1.5 Government has said indicative BSIP funding allocations must not be used to simply ensure the continuation of the existing bus services that may no longer be commercially viable. East Sussex County Council is working closely with bus operators to minimise the impact of any changes due to reduced passenger use.

## 2 BSIP Indicative Funding Allocation

2.1 East Sussex County Council submitted an ambitious costed proposals for improvements within its BSIP, in response to the Government's proposals to provide significant BSIP funding. On 4 April 2022 Government announced indicative funding allocations to approximately one third of LTAs who submitted BSIP funding bids, we understand based on the quality of their BSIPs, and the ambition shown. East Sussex County Council allocation is one of the highest (Appendix 4), with funding of £41,415,025 (see appendix 6 for further information including a comparison with other authorities allocations).

2.2 This Indicative Funding Allocation (IFA) is split into a capital and revenue allocation:

- £22,315,000 capital / £19,100,025 revenue
- 3 year allocation - 2022/23, 2023/24 and 2024/25
- All funding to be spent by the end of March 2025

2.3 The IFA is just over half of what we asked for over the 3 years (£82,374,500), around:

- 80% of the capital ask / 35% of the revenue ask

2.4 This 'indicative allocation' does not constitute a formal or binding grant offer. Funding confirmation is conditional on our submission and implementation of a transformational Enhanced Partnership (EP) which includes firm and detailed commitments to deliver a package of prioritised and ambitious improvements to bus services, in line with:

1. Our BSIP
2. The Department's feedback on it and commitments made in and after clarification emails
3. The guidance provided with the DfT's email of 4 April (see Appendix 4) that sets out their key priorities (such as the prioritisation of bus priority schemes and high profile and impactful interventions that reduce and simplify fares)

## 3 Proposed Apportionment of the Indicative BSIP Allocation

3.1 Below is our proposed apportionment of our indicative allocation. For further details see Appendix 1.

**Table 3.1: BSIP Indicative Allocation Apportionment**

<b>Bus Priority Infrastructure</b>	<b>£20,000,000</b>
<b>Bus Service Support</b>	<b>£12,500,000</b>
<b>Fares Support</b>	<b>£6,000,000</b>
<b>Other Infrastructure</b>	<b>£2,000,000</b>
<b>EP delivery</b>	<b>£600,000</b>
<b>Enforcement</b>	<b>£210,000</b>
<b>Marketing &amp; Promotion</b>	<b>£100,000</b>
<b>Total</b>	<b>£41,410,000</b>

3.2 It is important to note that the bus priority infrastructure measures (see Appendix 1 and Appendix 6 for further information) are our initial proposals which will require design work to establish their feasibility and the schemes taken forward will be consulted upon and the appropriate statutory processes followed.

## 4 Next Steps

4.1 The DfT wish to ensure that, if at all possible, that funding is confirmed, and EPs are in place in sufficient time to inform final decisions on service levels once Covid bus funding ends from October 2022.

4.2 The next steps are:

1. Submitted our draft EP Plan & Schemes, our supporting evidence documentation and our finance summary table (apportionment of the indicative allocation) on 30 June 2022 to the DfT.
2. The DfT will review our submission and either provide further feedback (to be incorporated before funding is provided) or agree that it meets their expectations and confirm our funding allocation.
  - a. If further feedback is provided, we will have an opportunity to amend our submission before any amendment or withdrawal of our funding allocation
  - b. If and when funding has been confirmed, we are then required to make our EP

4.3 The DfT will finalise funding profiles with us before funding is confirmed. We have been asked to shape our plans around the broad national funding shown in the summary table (Other infrastructure, Fares support, Ticketing reform, Bus service support, Marketing, EP/franchising delivery: LTA costs).

4.4 The DfT will release funding when our Enhanced Partnership (Plan & Scheme) has been made and has been approved by Lead Member. The aim is to have the made Enhanced Partnership (Plan & Scheme) approved at the Lead Member Decision Making meeting on 24 October 2022.

4.5 Subject to the approval of the Lead Member to the proposals contained within the draft EP Plan and Scheme, the next steps are to:

- Continue to work with our bus operators and our consultants in developing and fine tuning our scheme proposals.
- Finalise the scheme proposals after completion of the above work and receiving feedback from the DfT before entering into the statutory process to make the EP Plan and Schemes.
- Submit the made EP Plan and Schemes to Lead Member Transport and Environment Decision Making meeting on 24 October 2022
- Subject to the approval of the Lead Member of the made EP and receiving the DfT grant commence implementation.

## 5 Conclusions and Reasons for Recommendations

5.1 Our mission as a local transport authority is to ensure that East Sussex residents and visitors enjoy the highest possible quality bus services that provide a frequent and comprehensive choice, reduce congestion, and make a positive contribution to better air quality and decarbonisation. This mission is supported by our authority's bus operators who will play a key role in its delivery.

5.2 The East Sussex BSIP is a highly ambitious plan that seeks to stimulate and drive significant improvements to bus services across the local authority area and the wider region. Our proposed apportionment of our indicative allocation intends to deliver as much of the ambitious proposals as possible, provide value for money and:

- Recover bus usage from the Covid-19 pandemic, taking account of consequential changes in travel patterns
- Increase bus usage significantly in the next few years and to eventually deliver a transformational change in bus usage.
- Deliver a step change in bus provision to both current and new bus users.

5.3 The implementation of the BSIP fare reduction proposals will have greatest impact if introduced in the busier summer months. It is therefore proposed to use existing underspend from the Transport Hub budget to fund the early implementation of the BSIP fare reduction proposals for Young Persons and General fare reductions. As well as providing benefits to users, this will assist our bus operator's

in maintaining a high quality bus network in East Sussex. The early implementation of the fare reduction scheme will also be viewed in a very positive manner by both operators and the DfT and is likely to stimulate passenger recovery post pandemic. It is estimated that the current projected underspend of £515k would be sufficient to fund these fare reductions until we receive grant funding from DfT in the Autumn.

- 5.4 The Lead Member for Transport and Environment is therefore recommended to:
1. Approve the high level apportionment of the Government's indicative BSIP allocation as detailed in Appendix 1.
  2. Approve the draft Enhanced Partnership (EP) Plan and Schemes to allow us to proceed in to the statutory process to 'make' the EP Plan and Scheme as detailed in Appendix 2 and C.
  3. Approve that the underspend from the Transport Hub budget can be used to fund the early implementation of some of the BSIP fare reduction proposals and to delegate to the Director of Communities, Economy and Transport the authority to finalise these proposals.
  4. Agree to delegate to the Director of Communities, Economy and Transport the authority to finalise the apportionment and amendments to the Draft EP Plan and Scheme following further technical work and from feedback from the DfT.

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#### LOCAL MEMBERS

All members

#### BACKGROUND DOCUMENTS

[East Sussex Bus Service Improvement Plan](#)