

APSE Conference

The Bus Services Bill and Municipal Bus Companies

- ▶ Why we need bus services
- ▶ What are “municipal” bus operators?
- ▶ Network Warrington
- ▶ Being commercial/serving the community
- ▶ Bus Services Bill

Why Bus Services?

▶ Value to Town Centres

- 1.4 billion shopping trips by bus each year
- £27b spend on retail goods by bus users annually
- 33% of retail and leisure trips to city centres by bus
- Bus users responsible for 29% of total expenditure on retail and entertainment in city centres

Why Bus Services?

▶ Congestion

- Average speed of general traffic 3% slower 2015 compared to 2014
- DfT 2015 traffic forecast was that traffic will grow by between 19% and 55% between 2010 and 2040
- Average traffic speed less than 10 mph in major UK cities

Why Bus Services?

▶ Air Quality

- Air pollution kills more people each year than either obesity or passive smoking
- A new generation of clean buses is already saving 55,000 tonnes of greenhouse gas emissions per year and delivering £8 million in health and environmental benefits

Why Bus Services?

▶ Re-Generation

- 3.5m people in UK travel to work by bus
- Bus users create more than £64m worth of goods and services
- Every £1 spent on investment in local bus priority measures can deliver up to £7 of net economic benefits

Why Bus Services?

▶ Social Inclusion

- 1 in 4 people in UK at risk of social exclusion
- 1 in 4 people in UK lacks access to car
- Wider social impacts add over 30% to benefit-cost ratio of bus investments
- Free bus passes deliver over £1.7b in annual net benefits

Municipal Bus Operators

- ▶ 8 in England, 2 in Wales, 1 in Scotland
- ▶ 1968 Transport Act – those in metropolitan areas absorbed into PTE's
- ▶ 1985 Transport Act - required their separation into stand-alone arm's-length companies



Network Warrington

- ▶ 90 Buses
- ▶ 240 staff
- ▶ Turnover of £10m
- ▶ Operate throughout Warrington and into Cheshire East and West, Greater Manchester and Merseyside

Commercial v Community Dividend

- ▶ Municipal Bus Company is not a Council Department
- ▶ Community Focus
- ▶ Need to be sustainable

Bus Services Bill

▶ Aims:

- Grow bus passenger numbers
- Tackle air quality hot spots
- Improve bus services for passengers
- Enable a thriving and innovative commercial bus sector
- Help cities and regions to unlock opportunity and grow their economy

Note: Clause 21 prevents local authorities from forming a company for the purpose of providing a local bus service.

Bus Services Bill

- ▶ Aims achieved through:
 - Strengthening arrangements for partnership working in the sector, by introducing “Advanced Partnerships” and “Enhanced Partnerships”
 - Introducing new franchising powers with decisions at a local level
 - Providing for a step change in the information available to bus passengers

- ▶ Based on “measures” taken by the local authority – such as parking or traffic management policies – as well as, or instead of, facilities provided by the authority, such as bus lanes

- ▶ Broadens the requirements that can be placed on operators in relation to:
 - the marketing of the services
 - the tickets and fares available to passengers.

Enhanced Partnership

- ▶ Enhanced Partnership powers will enable local authorities to work with bus operators to improve bus services in their area
- ▶ The enhanced partnership scheme made by the local authority can:
 - set standards for frequencies
 - apply ticketing requirements to all scheme operators
- ▶ The local authority and operators will produce the scheme in partnership.
- ▶ The authority can only adopt the scheme if they have sufficient support from operators
- ▶ The local authority will be able to take on responsibility for bus registration from the Traffic Commissioners

- ▶ Combined authorities with directly elected Mayors will be given powers to franchise local bus services in their area
- ▶ Mayor responsible for determining which bus services should be provided
- ▶ Operators bid for the right to operate those services
- ▶ Decision to move to a franchised network will need to be taken in a transparent and democratic way by the Mayor

Open Data and Ticketing

- ▶ Information available to bus passengers across England “to be as good, or better, than that available to rail passengers and to bus users in London”
- ▶ Powers to mandate the release of open data relating to fares, punctuality and bus real time information
- ▶ New duties for local authorities to consider linkages and compatibility of multi-operator ticketing schemes

Conclusions

- ▶ Bus services play a vital role in delivering Council Strategies
- ▶ Municipal bus companies provide high quality bus network
- ▶ Unlikely new council owned companies will be possible
- ▶ BUT – Partnership is a way forward