

Highways and Transport Committee

Date of Meeting: 21 September 2021

Report Title: Cheshire East Bus Service Improvement Plan

Report of: Andrew Ross, Director of Highways & Infrastructure

Report Reference No: HT/08/21-22

Ward(s) Affected: All wards in Cheshire East

1. Executive Summary

- 1.1. At the Committee meeting in July 2021, members considered a report outlining the content of the National Bus Strategy and the obligations it places on the Council. The first of these is preparation of a Bus Service Improvement Plan (BSIP) for Cheshire East. This report provides the Committee with an update of progress towards the Bus Service Improvement Plan and recommends how this document will be completed to meet the timescales set out in the National Bus Strategy.
- 1.2. The local bus network in Cheshire East is facing a number of critical challenges arising from a persistent and structural decline in patronage; compounded by more recent loss of ridership during the COVID-19 pandemic. Recovery of patronage could be prolonged as passengers consider using bus services again. These pressures are set in a context where Government's Covid funding support to local bus is unlikely to be sustained indefinitely whilst the Council has budget limits on its support to bus services. These circumstances are not unique to Cheshire East and are key influences in the recent publication of a new National Bus Strategy, "*Bus Back Better*" published on 15 March 2021.
- 1.3. The new National Bus Strategy sets out opportunities to address the challenges facing local bus networks alongside a set of obligations for local transport authorities to establish Enhanced Partnerships and produce Bus Service Improvement Plans. The success of the Council's response to the

national strategy will directly assist in delivering the following strategic aims and objectives in the Council's Corporate Plan 2021-25.

- 1.3.1. OPEN** - undertaking consultation and engagement with the bus industry, key stakeholders and the public will ensure that the Council's response to preparing a BSIP meets the Government's stated requirements and maximises the prospect of securing funding for bus networks in Cheshire East
- 1.3.2. FAIR** – the approach to partnership working and evidence-sharing with the commercial bus operators is expected to help the Council address some of the gaps and inconsistencies in the provision of local bus services across the Borough.
- 1.3.3. GREEN** - through our Bus Service Improvement Plan, the Council aims to develop the local bus network and ensure it plays a stronger role in meeting the transport needs of local communities, encouraging greater reliance on local bus as a viable alternative, and more sustainable mode of transport across the Borough. Achieving these outcomes will contribute to the Council's stated aims for reducing carbon impacts and improving local air quality.
- 1.4.** As previously noted, local authorities are required by the National Strategy to publish a BSIP by 31 October 2021, setting out the local bus outcomes for the borough. Thereafter, the plan will be developed and implemented alongside a new Enhanced Partnership Agreement. The aim is to achieve a more effective working arrangement between the Council and the commercial bus operators. The development of a BSIP involves close working with key stakeholders across the borough, in particular bus service providers, bus user groups and town and parish councils.
- 1.5.** At the July Committee meeting, it was resolved that a Member Advisory Panel be established to support and guide the development and delivery of this plan, in line with the Department for Transport's programme. The Advisory Panel met on 25th August 2021 and further meetings are planned to assist officers and the wider industry in preparation of the BSIP, ensuring it takes account of the needs and priorities of the Council.
- 1.6.** The BSIP seeks to achieve local transport and bus networks for residents and businesses that are safer, support thriving urban and rural economies and support the Council's Environment Strategy. A BSIP enables improvements to be made to the speed and efficiency of public transport and encourage more residents to make fewer car journeys, thus contributing to Council and community carbon reduction. To reflect these wider outcomes, extensive cross-departmental working has informed the preparation of our BSIP, in particular to ensure that the Council's wider objectives are positively impacted by improvements to the local bus network.

- 1.7. This evidence base to inform, support and underpin the development of the Cheshire East BSIP has been developed over recent months through detailed analysis of local data, including information provided by bus operators, responses to the Passenger Focus survey, highways network performance data on traffic speeds / congestion and Census have been analysed to build a detailed understanding of both the current network conditions and the potential for future growth. Summaries of these key data sets are to be included in the published plan (see DRAFT plan as Appendix 1).
- 1.8. The BSIP is being developed alongside Local Transport Delivery Plans for each area of the borough to ensure clarity and consistency whilst supporting a wider range of regeneration initiatives, town centre vitality and the visitor economy. The transport objectives to be defined in the BSIP will relate to the following aspects of travel by bus identified in the Government guidance:
- 1.8.1. **more frequent services**, including turn-up-and-go services on major routes and demand-responsive services to lower-density places.
 - 1.8.2. **faster and more reliable journeys**, with bus priority where necessary and where there is room.
 - 1.8.3. **cheaper fares**, with more low, flat fares in towns, lower point-to-point fares and more daily price-capping everywhere.
 - 1.8.4. **more comprehensive services**, with better services in the evenings and weekends, not necessarily with conventional buses.
 - 1.8.5. **easier to understand services**, with simpler routes, co-ordinated timetable change dates, good publicity, and comprehensive information online.
 - 1.8.6. **easier to use for passengers**, with common tickets, daily fare-capping across all operators, simpler fares, contactless payment and protection of bus stations.
 - 1.8.7. **better integrated with other modes of transport**, including more bus-rail interchange.

- 1.9. Funding of £100,000 has been made available to the Council by the Government to support the development of BSIPs. In each local transport authority. The Council has used to this funding to progress development of the emerging BSIP.
- 1.10. The current draft document will continue to be developed in the time available before Government's stated deadline of 31st October 2021. It is recommended that the Members Advisory Panel continue to oversee the completion of the plan. Committee should note that the first BSIP inevitably reflects prevailing, industry-wide considerations about post-pandemic recovery, from patronage levels that have been suppressed by lockdown regulations and behaviour changes to travel patterns. Nevertheless, our plan provides a strong baseline and statement of ambition for the future of local buses in Cheshire East. The BSIP will be closely monitored and a detailed implementation plan will be developed during the preparation of the Enhanced Partnership agreement that is required by April 2022.

2. Recommendations

- 2.1. The Highways and Transport Committee is recommended to:
 - 2.1.1. Approve the objectives defined within the draft BSIP (see paragraph 1.8 and Appendix 1), as supporting the Councils wider policy objectives and the local context as set out in the evidence base.
 - 2.1.2. Note that the draft BSIP document will be subject consultation with all community groups and residents before it is finalised and submitted to Government.
 - 2.1.3. Delegate finalisation of the BSIP to the Director of Highways and Infrastructure, in consultation with the Chair of the Member's Advisory Panel, to enable the BSIP to be submitted to Government by the stated deadline of 31 October 2021.

3. Reasons for Recommendations

- 3.1. The proposed Bus Service Improvement Plan will guide future investment and ensure that future bus operations are in accordance with the expectations of the Department for Transport.
- 3.2. This BSIP has been produced after extensive analysis of the developed evidence base; a thorough review of latest transport policy at a local, regional and national level; and through conversations with bus operators, bus users and key stakeholders including town and parish councils. This process has led to the development of the BSIP and ensured that challenges and issues with the current bus network were identified, agreed with all parties and addressed where possible within the final document.
- 3.3. This BSIP is recommended for endorsement because it has been produced in full accordance with the published guidance, including the *National Bus*

Strategy (Bus Back Better) and accompanying Bus Service Improvement Plans – Guidance to local authorities and bus operators.

- 3.4. This recommendation has been put forward because having an active Bus Service Improvement Plan alongside an established Enhanced Partnership is a prerequisite of any future funding. Without an Enhanced Partnership in place, Cheshire East and bus operators will lose access to funding streams including future COVID-19 recovery funds, Bus Service Operator Grant (BSOG) and opportunities that arise as a direct result of the new National Bus Strategy and the Comprehensive Spending Review.

4. Other Options Considered

- 4.1. An alternative option is to do nothing, setting aside the opportunity to develop a Bus Service Improvement Plan. This would likely lead to the loss of a number of existing revenue support mechanisms for local buses, including Bus Service Operator Grant (BSOG) and Covid Bus Service Support Grant / Recovery Funding. This option would not see bus operations continuing their current level of service with further significant declines in both routes and passengers should be anticipated. This option would likely close the door on any future funding prospects, including those made available as part of the national strategy. Therefore, this option has been discounted.

5. Background

- 5.1. At present the bus industry within Cheshire East is facing a number of important challenges, including a decline in patronage, budget constraints affecting the council's ability to support bus services and more recently reduced ridership as a result of the COVID-19 pandemic.
- 5.2. In recent years bus patronage across the borough has declined progressively and consistently. In 2016/17, there were approximately 4.5 bus passenger journeys per resident with bus patronage declining by 22% since 2009/10. These statistics place Cheshire East within the bottom five Local Authorities for the lowest number of passenger journeys per head and amongst the lowest number of trips per head of resident population in England.
- 5.3. Before the COVID-19 outbreak, Cheshire East bus network was facing significant challenges regarding utilisation and the financial viability of a lot of the services in terms of commercial sustainability. During the early stages of the pandemic, the industry demonstrated some resilience as services were able to adapt and maintain at least some level of service relevant to patronage levels before Government help was provided.
- 5.4. However, as a result of reduced utilisation, the profitability of running bus services has been a significant challenge and serious questions have been raised whether the resilience is there for operators to withstand falling profitability associated with a crisis alike to COVID-19.

- 5.5. As bus service patronage continues to fall year on year and services become less financially viable, there is a risk that services across Cheshire East will be deregistered which could have lasting impacts on communities.
- 5.6. Over the last 6 months, the Council has been developing an evidence base to inform, support and underpin the development of a draft bus strategy. This evidence base compiles a range of quantitative and qualitative data as well as policies and strategies from various documents, policy levels, stakeholders and sources. It aims to summarise the current situation and provide a holistic overview of the wider political, economic, environmental, social and operational context of bus transport in Cheshire East. This evidence base will be used to build a Bus Service Improvement Plan (BSIP), in accordance with the National Strategy, to evaluate and strengthen the local bus network.
- 5.7. The Council has also recently received funding from DfT, as part of the Rural Mobility Fund (RMF), to trial a Demand Responsive Transport (DRT) service within rural Cheshire East. This service will be continually monitored, and data collection will be used to evaluate the viability of maintaining or expanding this service to cover a wider area of the borough. The potential for DRT in Cheshire East will be considered further during the development of a BSIP; during which, bus operator and stakeholder consultation and collaboration will be sought.
- 5.8. On the 15th March 2021 the UK Government released a National Bus Strategy for England. This strategy sets out the vision and opportunity to deliver better bus services for passengers across England, through ambitious and far-reaching reform of how services are planned and delivered.
- 5.9. As part of the National Bus Strategy, all LTAs are expected to produce and publish a local Bus Service Improvement Plan (BSIP), detailing how the LTA propose to use their powers to improve services.
- 5.10. The accompanying draft Bus Service Improvement Plan (Appendix 1) has been produced in full accordance with the published “*National Bus Strategy: Bus Service Improvement Plans – Guidance to local authorities and bus operators*”. This document provides guidance and templates to ensure each LTA and their local bus operators develop an ambitious BSIP to improve local bus services and access new funding.
- 5.11. The timescale set by Government for the development of a Bus Service Improvement Plan (October 2021) is very challenging. However, DfT officials indicate that there is believed to be a unique opportunity to strengthen cooperative working between commercial bus companies and local authorities as the country recovers from the pandemic. As the industry has received large scale financial support throughout the pandemic there is a need and a will to jointly plan what the future of local bus travel looks like.

6. Consultation and Engagement

- 6.1.** Engagement with Bus Operators, passenger groups and other key stakeholders including town and parish councils is an essential element of informing the BSIP. To date, engagement with the commercial operators has established a shared understanding of the parameters of the process defined in the National Strategy, consideration of policies and future ambitions for a future bus network. A comprehensive data sharing request has been responded to by operators, with commercially sensitive data made available under Non-Disclosure Agreements. This has enabled production of the draft document and will inform development of objectives and targets for the BSIP.
- 6.2.** Consultation and engagement with bus user groups, town and parish councils and other key stakeholders will continue as the BSIP proceeds. The draft document (Appendix 1) will be published as a consultation document, inviting communities and residents to comment. Responses to this consultation will be used to inform both the final BSIP and the development of the Enhanced Partnership for local buses.

7. Implications

7.1. Legal

- 7.1.1.** In developing and implementing a BSIP the Council must have regard to the transport needs of all of the residents in the borough, which may include disabled persons, persons who are elderly or have mobility problems and mothers with young children. Development of plans will need to be in accordance with statutory and legal requirements for Community Engagement, Equalities Impact Assessment and Strategic Environmental Appraisal.
- 7.1.2.** Before implementing the outcomes of the BSIP the Council should consult with local bus operators, various organisations including the chief of police for the area to seek their views on the planned proposals.
- 7.1.3.** The Secretary of State may issue secondary legislation and additional guidance in relation to the BSIP outcomes that feed into future Enhanced Partnership plans and schemes, the Council must have regard to the guidance.

7.2. Finance

- 7.2.1.** £100,000 has been made available from Government for each LTA to support the development of Bus Service Improvement Plans. Cheshire East has been granted this funding and will use it to produce a BSIP in advance of the end of October 2021 deadline.
- 7.2.2.** The BSIP will be implemented using funding provided by the long-term funding commitments of the National Bus Strategy and the

COVID-19 Bus Services Support Grant (CBSSG). This will be covered in a future report.

7.3. Policy

- 7.3.1.** Cheshire East corporate documents and strategies stress the importance of an enhanced public transport and bus network for attaining key strategic objectives such as improving local transport, reducing air pollution, achieving carbon neutrality, enabling housing and employment growth, improving quality of place and protecting the environment. They support improvements to local bus transport both in terms of infrastructure and service provision and call for the development of a bus strategy. Developing a Bus Service Improvement Plan will help to achieve these goals.
- 7.3.2.** At a National level, the development of a Bus Service Improvement Plan ensures that the council fulfils its duty as the Local Transport Authority in accordance with the responsibilities outlined within the National Bus Strategy.
- 7.3.3.** On a regional and subnational level, the Cheshire & Warrington LEP acknowledges the importance of buses for public transport in its transport strategy and LEP Bus Strategy. The LEP bus strategy should be aligned with the BSIP where possible to ensure any duplication of work is avoided. The South-Eastern Manchester Multimodal Strategy (SEMMS) and Greater Manchester's Transport Delivery Plan also acknowledge the importance of public transport and call for the coordination of cross boundary services, particularly following a commitment to bus franchising within Greater Manchester.

7.4. Equality

- 7.4.1.** Members must be fully aware of the equalities implications of the decisions they are taking. This will ensure that there is proper appreciation of any potential impact of any decision on the Council's statutory obligations under the Public Sector Equality Duty. As a minimum, this requires decision makers to carefully consider the content of any Equality Impact Assessments produced by officers.
- 7.4.2.** An Equality Impact Assessment has been commenced. This builds upon the EIA developed for the Cheshire Bus Strategy. Further Equality Impact Assessments will be undertaken for specific bus schemes and investment programmes as they come forward.

7.5. Human Resources

- 7.5.1.** There are no direct implications for Human Resources.

7.6. Risk Management

- 7.6.1.** A Project Board has been established chaired by the Director of Infrastructure and Highways to ensure appropriate project governance and strategic direction. A project risk register has been developed and maintained, detailing mitigation measures.
- 7.6.2.** Separate consultative meetings were held with Bus Industry contacts. The frequency of these meetings was determined following initial early discussions and are used to understand any external risks associated with each bus operator.

7.7. Rural Communities

- 7.7.1.** The Corporate Plan outlines targets to reduce areas of the borough not served by public transport. The Council has already demonstrated a commitment to this through its successful bid for DfT funding as part of the Rural Mobility Fund, a Demand Responsive Transport (DRT) service is proposed as a result of this funding. Informed by the performance of this pilot service, DRT will be considered as an option for connecting rural communities within the Bus Service Improvement Plan. The criteria used to identify Nantwich as a suitable area for DRT operation have been used to identify additional potential sites across the borough.
- 7.7.2.** The Corporate Plan also identifies the desire for thriving and active rural communities by 2025. Delivering improved accessibility to services and employment opportunities by improved bus connectivity supports this target. Any issues and opportunities for rural communities will be identified throughout the process of developing a Bus Service Improvement Plan.

7.8. Children and Young People/Cared for Children

- 7.8.1.** The Corporate Plan outlines that some of the biggest pressures are in children's services, particularly placements for looked after children and services for children with special educational needs, including home to school transport.
- 7.8.2.** The Bus Service Improvement Plan seeks opportunities to increase the scope for home-to-school travel to be accommodated on conventional bus networks, thereby reducing the need for bespoke transport provision.

7.9. Public Health

- 7.9.1.** By enhancing bus provision in Cheshire East, with well-planned reform, this provides an affordable transport choice for young people that enables greater connectivity to additional learning and job/training opportunities.
- 7.9.2.** Cheshire East is a prosperous place, but there are pockets of deprivation in communities related to income, health and life

chances. Improved bus services will enable a greater proportion of residents to access important services such as health care facilities. This will therefore help to address the Corporate Plan target to reduce health inequalities across the borough.

7.9.3. There is also a desire to support communities by reducing loneliness. Improved bus connectivity will enable residents of all backgrounds to move around the borough more freely and engage with activities to improve mental and physical health.

7.9.4. The BSIP also considers the impact of transport on issues affecting public health, most notably Air Quality and the contribution of Public Transport to health and wellbeing.

7.10. Climate Change

7.10.1. Cheshire East have committed to be carbon neutral by 2025 and to influence carbon reduction across the borough. The Corporate Plan outlines a desire to improve the speed and efficiency of public transport and encourage more residents to make fewer car journeys. The BSIP seeks to strengthen the existing bus provision, delivering consistent and efficient services that can better compete with the private car.

Access to Information	
Contact Officer:	Richard Hibbert, Head of Transport Strategy Richard.hibbert@cheshireeast.gov.uk 07866 157324
Appendices:	Appendix One-Cheshire East Bus Service Improvement Plan (Draft)
Background Papers:	None