

Forward Plan reference number: FP/091/06/21

Report title: Bus Back Better: Bus Service Improvement Plan for Essex	
Report to: Cabinet	
Report author: Councillor Lee Scott, Cabinet Member for Highways Maintenance and Sustainable Transport	
Date: 15 October 2021	For: Decision
Enquiries to: Andrew Cook, Director, Highways and Transportation email andrew.cook@essex.gov.uk or Helen Morris, Head of Integrated Passenger Transport Unit helen.morris@essex.gov.uk	
County Divisions affected: All Essex	

1. Purpose of Report

- 1.1 A strong bus network helps support everyone in Essex. It helps key workers get to work; children get to school; older people to access shops and healthcare; reduces congestion; improves air quality; and helps mitigate climate change. It supports diverse communities; brings people together; links families; and allows independent travel for those who don't drive. It supports our high streets; local employment; and those accessing training and looking for work. It is an important contributor to our drive to level up the county and address climate change.
- 1.2 This report asks the Cabinet to agree a Bus Service Improvement Plan which we have been asked to produce by the Government as part of the Government's national bus strategy. The Plan sets out our ambitions for the bus network in Essex. It includes the action we are already taking and the investment we are making. It also includes bold new bids for central Government funding for transformation projects. The scale of this ambition and these projects means they require additional resourcing from central Government. If we are not successful in the immediate term in securing that funding, we intend to continue to seek funding opportunities because we believe these projects will help set a new model for delivering bus services and hence benefit everyone in Essex.

2. Recommendations

- 2.1 Agree to adopt the Bus Service Improvement Plan at appendix A to this report.
- 2.2 Agree that the Cabinet Member will take decisions relating to the elements of the Bus Service Improvement Plan that it is proposed will be delivered through Essex County Council's first Enhanced Partnership Plan and Scheme.

- 2.3 Note that there are likely to be additional resources required in order to deliver the Enhanced Partnership Plan and Scheme which are the delivery mechanisms for key parts of this plan and required to be in place by 31 March 2022. A further decision relating to those resource requirements will be included in the paper that is due to be considered at Cabinet in March 2022 to make the Enhanced Partnership Plan and Scheme.
- 2.4 Note, as above, that the Cabinet will take the final decision on adopting the Enhanced Partnership plan and scheme(s).

3. Summary of issue

- 3.1 In March 2021 the Government launched its new National Bus Strategy, 'Bus Back Better'. It is designed to:
- Recast the bus sector to allow it to not only recover from the impact of the Covid 19 crisis
 - Reverse the long-term decline in bus passenger numbers
 - Help meet national emission, pollution and health goals
 - Help meet economic regeneration goals by reducing congestion
- 3.2 Essex County Council is the local transport authority (LTA) for Essex. This makes it responsible for delivering concessionary fares and for addressing market failure by commissioning bus routes. Bus services have been seriously affected by the pandemic and have received significant public funding to maintain the financial position of operators. This has included grants to operators as well as maintaining payments at pre-pandemic levels. Nonetheless the bus industry is in a fragile position as passenger numbers are significantly lower than they were pre-pandemic.
- 3.3 The proposed Bus Service Improvement Plan (BSIP) marks a real attempt to deliver a transformative approach which will benefit all our residents, both in rural and urban areas. We don't want to produce a plan where only those with existing bus services see improvements, and those who have nothing still have nothing. That's a big challenge because our ambition is for routes to be environmentally and financially sustainable so we need to develop new models that can create journeys that are attractive and convenient and earn their keep. That's a huge challenge. But anyone watching the increasingly visible impacts of climate change will recognise it's urgent.
- 3.4 We want to transform sustainable travel opportunities for all of them by providing alternatives to people, to support them to change to public transport which is one of key opportunities to address carbon emissions from the transport sector. It's a direct way for individuals to help reduce carbon emissions, improve air quality, improve urban spaces, support local economies and reduce congestion. Supporting growth in the bus sector is one of the priorities identified by the Essex Climate Action Commission. We want to deliver high quality rapid transit for our urban and garden community populations; swift journeys for our urban centres; and link our less well-off

areas with jobs, training and stronger local economies. We also want to transform travel opportunities for our rural villages and hamlets and our market towns to make bus travel a practical option for residents.

- 3.5 A transformed bus network across Essex supports our ambition to have a 'strong, inclusive and sustainable economy' from the emerging Organisational Strategy. An improved network supports people to access good jobs, levels up the economy, supports our wider plans around better infrastructure and our ambitions to be net zero by increasing sustainable and active travel options.
- 3.6 Bus Back Better', the Government's national bus strategy, was published on 15 March 2021. It sets out a bold and ambitious vision for the UK's bus network and places significant expectations on LTAs. These include:
- a request that by 30 June 2021 each LTA issues a statement of intent to pursue one of two statutory routes provided to enhance the delivery of local bus networks
 - An Enhanced Partnership (EP); or
 - Network Franchising.
 - a request to issue a Bus Service Improvement Plan (BSIP) by 31 October 2021 setting out the Council's vision and timeframes for developing the local bus network in its area.
 - the request to publish an Enhanced Partnership Plan and at least one Enhanced Partnership scheme by April 2022. Even if a franchise approach is adopted, an EP is still required as a first step.
- 3.7 Cabinet decided on 22 June 2021 to pursue an Enhanced Partnership approach for Essex. The first expectation has therefore been met. The second expectation is the publication of a Bus Service Improvement Plan and that is the decision to which this report relates.
- 3.8 The National Bus Strategy indicates that a council's performance in developing its strategy for improving bus services in its area will be taken into account by the Department for Transport in considering applications for both bus and all other transport funding. The Bus Service Improvement Plan (BSIP) sets out the Council's assessment of the current state of its bus network; the opportunities; and risks; and also sets out its vision for the future and the strategy for delivery. It is considered crucial that we have an ambitious BSIP to show the Department for Transport that the County Council has strong ambitions and has schemes worthy of funding. Outlines of the schemes are set out in later in the report.
- 3.9 Buses are a key element in achieving a range of ECC's priorities including:
- Helping deliver economic recovery from the Covid pandemic
 - Achieving Zero Carbon Emissions
 - Attracting inward investment from businesses
 - Reducing congestion

- Improving air quality
- Allowing Essex residents to access a whole range of services from school, training and work to health, leisure and shopping
- Promoting social inclusion - bus passengers are disproportionately from more vulnerable groups, such as older people, younger people, women, those on lower incomes and those with disabilities.

3.10 Therefore, measures to support the bus network also help deliver the following Strategic Priorities:

- Help people in Essex prosper by increasing their skills
- Enable Essex to attract and grow large firms in high growth industries
- Target economic development to areas of opportunity
- Help keep vulnerable children safer and enable them to fulfil their potential
- Enable more vulnerable adults to live independent of social care
- Improve the health of people in Essex
- Help to secure stronger, safer and more neighbourly communities
- Help to secure sustainable development and protect the environment
- Facilitate growing communities and new homes
- Limit cost and drive growth in revenue
- Re-imagine how residents' needs can be met in a digital world

3.11 A Bus Service Improvement Plan is there to set out how local transport authorities, working closely with their bus operators and local communities, can deliver improved bus services in line with the vision set by the national strategy. It should set out the high level outcomes to be delivered and the key interventions that will be needed to do so.

3.12 The intention is that the BSIP will then be delivered through the Enhanced Partnership process, with progress and priorities reviewed annually. The Department for Transport has also said it will use the BSIP to allocate funding to local authorities, although it has not yet announced the criteria. A BSIP can give an outline estimate of the funding requirement for its delivery.

3.13 BSIPs are required to cover:

- **the current position** of the network, including patronage, congestion and traffic levels, service levels, the main barriers to usage and the key opportunities for improvement;
- **post Covid challenges**: and how the network might adapt;
- **proposals for improvement**: describing how local transport authorities and bus operators will deliver the key goals set by the strategy.

3.14 The BSIP should cover the whole of the bus network: so both the commercial network (which is around 85% of the Essex network) and the taxpayer supported network (around 15%). It is also expected to consider areas with service gaps.

3.15 In summary, the Essex Bus Service Improvement Plan at appendix A:

- Sets the vision for improving bus services in Essex (section 1)
- Sets out the need for the plan (section 2)

- Provides the background to the plan (section 3)
- Explains the scope and scale of the plan, the engagement approach and how it fits with the Local Transport Plan (section 4)
- Analyses the current network (section 5)
- The impact of covid (section 6)
- The barriers to growing the bus network in Essex (section 7)
- Delivery (section 8)

3.16 Section 7 is critical in understanding the scale of the barriers to growth, that many are structural; that many have been in place for decades; and that the proposed measures in section 8 are seeking to reverse decades of decline in patronage whilst still in the midst of a global pandemic. However, the environmental and climate change imperatives are undeniable and the bus network has a key role to play.

3.17 The following key new measures are proposed in the Plan:

- Targets
- New investments (subject to Department for Transport funding).
- School zones
- Reviews of bus networks on a district by district basis
- Better information

3.18 **Targets:** ECC are proposing to set the following targets (section 8 of the BSIP):

- - **a reliability target:** for 95% of journeys to be on time, from a pre-Covid baseline of 92%;
- - **a passenger satisfaction target:** to return to an 86% overall journey satisfaction level post-Covid (this target has not been measured during covid);
- - **a usage target:** to return to a 2019/20 patronage level of 40.2 million journeys from a 2020/21 patronage level of 12.4 million journeys.

3.19 This post-covid recovery period is going to be extremely challenging for the bus network and therefore ECC is setting a limited number of targets to enable activity to focus on the issues that matter most to passengers; and on bringing the network back to a financially sustainable position through increasing the number of bus passengers.

3.20 **New Investment to deliver transformational change and a new paradigm for bus services in Essex:** As part of the Bus Service Improvement Plan it is proposed that ECC will seek investment from DfT to develop and deliver five Bus Back Better transformation projects as follows:

- **The Basildon Volt:** – building a ‘gold standard’ bus network in Basildon and more widely across the district. Basildon is our main bus town and the proposal includes investing in better priority, frequency and ticketing and a fully electric or hydrogen zero emission bus fleet.

- **Clacton Connect:** levelling up: to introduce new and better services in Clacton, seeking in particular to address a pocket of Essex where residents should have their opportunities lifted and where bus services can play a role by linking them to education, training and jobs.
 - **Harlow Falcon:** rapid transit – introducing new services that offer premium quality sustainable journeys linking new and existing communities and lifting the whole of the bus network including integration with the provision of a redesigned bus station.
 - **Thrive:** Market town viability – injecting new life and energy into our market town network; ECC will work with bus operators to identify pilot exemplar routes and a suite of measures to support services in these marginal areas, with the aim of keeping them commercially viable and increasing services. These includes bus priority, bus infrastructure, information and service review measures, plus commitments to publicity.
 - **Reach:** Rural mobility – expanding our digital demand responsive services to offer everyone a journey.
- 3.21 **School Zones:** we are considering a report on how we develop planning policy guidance for new build schools in new build communities that prioritises active travel and bus travel. This report will be published alongside the Bus Service Improvement Plan and considers a cycling, walking and bus zone at drop off and pick up time so that children and communities benefit from better air quality; reduced carbon emissions; and better health and wellbeing. The design includes proposals for drop off and pick up points and park and stride routes. The report and proposals will be subject to consultation and we will be seeking people's views.
- 3.22 **Network Reviews:** twelve district level network reviews to understand the current bus network and identify the options for delivering better services. Including,
- Stage 1: District Network Audit - designed to identify the key characteristics of the bus network services and its supporting infrastructure;
- Stage 2: District Network Review – designed to identify the issues which are creating barriers to passenger growth, connectivity or accessibility and recommend measures to over-come the barriers and promote bus passenger growth to be consulted on for inclusion in Stage 3 .
- Stage 3: Enhanced Partnership District Scheme – Take the recommendations set out Stage 2 and following consultation with the key stake-holding groups agree a set of measures to be included in a legally binding District based Enhanced Partnership Scheme, committing both sides to take the agreed actions. This will include identifying funding opportunities and the re-investment of efficiency savings. The agreement set out in an EP scheme is

legally binding on both the local transport authority and the bus operators.

- 3.23 **Better Information:** Essex bus branding and single information portal: research shows that the cognitive load for modal shift (how much effort it takes to shift your mode of transport) from car to bus is a significant barrier. We intend to develop a single Essex bus 'brand' so passengers and potential passengers know where to look for bus information; and a single information portal that brings together all bus information in one place.

4. Options

- 4.1 **Option 1: Do Nothing (not recommended):** this option would mean Essex chose not to publish a BSIP. It would result in the County Council being unable to access new Central Government funding for bus services. It could also mean operators were potentially excluded from funding such as the Green Bus Bids and Essex County Council were detrimentally impacted in bidding for other transport funding. While Essex would be able to continue its ongoing support for the bus network, it would mean that there would be no opportunity to deliver a step change in provision or develop proposals for new funding streams in line with our climate change and levelling up goals.
- 4.2 **Option 2: Publish the BSIP as appended to this report (recommended):** BSIPs offer a way for Essex County Council, bus operators and local communities to work together to set a vision and outcomes that can deliver significant improvements to the bus network. They also offer an opportunity to identify projects which are suitable for future funding bids from central government which are expected to be made available as part of the implementation of the strategy. The tight timescale for delivery has meant that there has been less opportunity for engagement and consultation than would have been ideal, but the annual nature of the process and the adoption of Enhanced Partnerships as the formal delivery mechanism mean there will be further opportunities to address that in the future. The package proposed in the BSIP offers a strong vision for bus services in Essex. It acknowledges the benefits of a strong bus network to individuals, communities, business and the environment while recognising the huge challenges posed by Essex's scale, geography, its often historic urban landscape and modal shift. It seeks a pragmatic way forward that delivers quick benefits for passengers and invests longer term as central Government funding becomes available. This is therefore the recommended option.

5. Links to Essex Vision

- 5.1 This report links to the following aims in the Essex Vision
- Enjoy life into old age
 - Provide an equal foundation for every child
 - Strengthen communities through participation
 - Develop our County sustainably

- Connect us to each other and the world
- Share prosperity with everyone

5.2 This links to the following strategic aims in the Organisational Plan:

- Enable inclusive economic growth
- Help people get the best start and age well
- Help create great places to grow up, live and work

5.3 This links to the emerging organisational strategy 'Everyone's Essex' which is expected to be adopted by the Council on 12 October 2021, in particular the strategic priority of **High Quality Environment** and the following two aims:

Net zero: we will work across the Council and the County to hit our net zero targets, by ensuring that the Council significantly reduces its carbon footprint whilst also supporting an acceleration in the progress towards sustainable housing and energy, and active and alternative forms of travel across the county.

Transport and built environment: we will deliver a step change in sustainable travel across the county, by growing passenger transport and active travel and will ensure we support the move towards net zero, climate resilient developments including our new garden communities, by delivering sustainable and healthy neighbourhoods for the future.

6. Issues for consideration

6.1 Financial implications

6.1.1 The Department for Transport has made available two tranches of funding to date in respect of the Local Transport Authority Bus Capacity (Revenue) Funding. The grant is specifically to support Local Authorities in developing local bus proposals as outlined in the National Bus Strategy. ECC has received the following in respect of this;

- £100,000 initially allocated as a flat rate to all LTAs
- £776,040 for 2021/22 allocated based on LTA population and Indices of Multiple Deprivation.

6.1.2 The initial £100,000 grant has been directed towards resourcing the development of the Enhanced Partnership plan and initial schemes, at least one of which is required to be in place by April 2022.

6.1.3 The £776,040 grant will be directed towards three significant reviews to inform the ongoing strategy development within ECC;

- A network review to assess the adequacy of the bus network within Essex,
- A ticketing review to develop strategic thinking in respect of pricing and accessibility of the bus network within Essex

- A vehicle standards review to assess the quality of bus livery across Essex and develop the strategy in respect of the environmental and passenger experience impacts of bus travel within Essex.

Part of the grant will also be allocated to information and branding requirements as part of the commitment to work together to improve customer information and make bus travel more accessible and attractive.

6.1.4 The DfT has not yet issued further guidance in respect of future funding. Indicatively, there may be two tranches of further funding; 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. However, funding availability has not yet been confirmed by the DfT and further announcements are awaited.

6.1.5 The DfT grant funding outlined above enables ECC to develop its strategic thinking around the future of bus travel in Essex in line with the national Bus Back Better strategy.

6.1.6 The table below summarises expenditure and funding that has been received for local bus services over the past 3 years alongside the current Medium Term Resource Strategy (MTRS) period with expected (but not confirmed beyond 2021/22) funding;

	Actuals			Budget (MTRS)		
	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
	£'000	£'000	£'000	£'000	£'000	£'000
Bus Fare income (incl. concessionary fares pot allocation to local bus)	(1,180)	(1,043)	(760)	(664)	(664)	(664)
Bus Service Operators Grant (local bus element)	(1,121)	(1,121)	(1,121)	(1,121)	(1,121)	(1,121)
CBSSG Grant (local bus element)	0	0	(291)	0	0	0
Expenditure	10,389	10,482	11,321	10,899	10,907	10,907
Net Expenditure	8,089	8,319	9,149	9,114	9,122	9,122

6.1.7 Other than the existing subsidy that ECC invest into local bus services as outlined in the financial table above, there is no expectation that, as a result of publishing the BSIP, there will be additional financial burden placed on ECC in the immediate term because expenditure will be managed within existing resources. However, additional resources in the region of £220,000 are likely to be required in order to deliver the Enhanced Partnership Plan and Scheme which are the delivery mechanisms for key parts of this plan and are required to be in place by 31 March 2022. Confirmation of any additional burdens funding has not yet been received from Government and in the absence of such a confirmation, the Council will need to consider making provision for this pressure as part of its 2022/23 budget setting process. Greater clarity will be provided in the paper that is due to be considered at Cabinet in March 2022 to establish the Enhanced Partnership Plan and Scheme.

- 6.1.8 The BSIP sets out historical information regarding investment in bus in Essex. The estimated total investment in geographically based bus projects in Essex is outlined as part of the analysis, however, there is no system generated information or other management information that enables independent verification of individual costings of this and therefore a number of assumptions were applied in order to derive the high level estimate as follows;
- Where specific information on costings is retained, actual costs have been applied
 - Where bus investment forms part of a more extensive project, an estimate of the percentage of the project relating to bus has been applied to the overall project cost. This percentage is project dependent and necessarily varies and is based on the best available information provided from the project team.
 - Where there is specific bus infrastructure that has been installed in an area, estimations as to average infrastructure costs have been made and applied based on historical cost data.
- 6.1.9 The transformational investment detailed within the BSIP forms the initial EP bid submissions setting out discreet packages of expenditure (capital and revenue) which ECC would aim to implement subject to affordability. There is the expectation within these bids that DfT fully fund new burdens arising from development of new services or enhancement of existing services. However, this presents a risk due to the competitive nature of the funding - analysis of bids will be weighted against the ambitions of other local authorities in their BSIPS. If there is a DfT funding shortfall, transformational projects may need to be scaled back accordingly unless alternative funding is identified.
- 6.1.10 Dependent on the outcome of funding bids for the transformational packages of work and adequacy of central government funding, ECC's ambitions within the BSIP may be constrained. This may instigate the need to consider future priorities and choices for funding within ECC. At this stage, it is difficult to expand on this in depth, however, for clarity, the future availability of funding for specific transformational projects that do not successfully achieve 100% DfT funding will require budgetary choices within future years MTRS.
- 6.1.11 The Cabinet decision (reference FP/063/05/21) set out ECC's commitment to progress with the development of enhanced quality bus partnerships. The financial implications and associated risks for ECC of the Government's Bus Back Better strategy were set out within this decision and remain relevant.

6.2 Legal implications

- 6.2.1 The bus service improvement plan is a non statutory document but the Government have asked us to have a policy. It should be noted that the document has not been the subject of consultation as it was not possible to consult given the short time within which it had to be produced.
- 6.2.2 The Council has a clear legal power to provide facilities for bus passengers such as bus stations and bus information systems. Some of the other measures in this report involve providing investment to specific operators and

we will need to establish a legal mechanism to do this which complies with procurement and competition law. It will therefore be crucial for those involved with the project to take legal advice throughout to avoid projects being abortive as a result of the Council lacking a lawful way of delivering the strategy.

6.2.3 It should be noted that many of the programmes in the plan are only deliverable if external funding from the Department for Transport is received.

7. Equality and Diversity implications

7.1 The Public Sector Equality Duty applies to the Council when it makes decisions. The duty requires us to have regard to the need to:

- (a) Eliminate unlawful discrimination, harassment and victimisation and other behaviour prohibited by the Act. In summary, the Act makes discrimination etc. on the grounds of a protected characteristic unlawful
- (b) Advance equality of opportunity between people who share a protected characteristic and those who do not.
- (c) Foster good relations between people who share a protected characteristic and those who do not including tackling prejudice and promoting understanding.

7.2 The protected characteristics are age, disability, gender reassignment, pregnancy and maternity, marriage and civil partnership, race, religion or belief, gender, and sexual orientation. The Act states that 'marriage and civil partnership' is not a relevant protected characteristic for (b) or (c) although it is relevant for (a).

7.3 The equality impact assessment indicates that the proposals in this report will not have a disproportionately adverse impact on any people with a particular characteristic. The bus network is disproportionately used by those with a protected characteristic in terms of age, disability and gender. Measures to improve the network will therefore be beneficial to these groups and individuals.

8. List of appendices

Appendix A – Bus Service Improvement Plan

Appendix B – Equality impact assessment

Appendix C - Essex Sustainable Travel School Design Guide – to be published alongside the BSIP

9. List of Background papers

[Bus back better - GOV.UK \(www.gov.uk\)](https://www.gov.uk)

Guidance – Bus Service Improvement Plan