

## ENHANCED PARTNERSHIP BOARD

04 OCTOBER 2022

### Item 03 - EP Operating Group Progress Report October 2022

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#### Executive Summary

This report provides the Enhanced Partnership Board with an update on activities at the Enhanced Partnership (EP) Operations Group. It provides details on how the group has now been established, how the group proposes to identify and escalate points of concern to both the EP Board and the EP Development Group.

It also provides details on the latest position (at time of writing) on the implications of the extension of Bus Recovery Grant (BRG) funding to April 2023, changes to the bus network in October 2022 and a future look on what a sustainable network might look like when BRG funding ends.

#### What does this mean for businesses, people and places in South Yorkshire?

An effective Bus Enhanced Partnership is essential to ensuring that democratically accountable authorities have a say in the way our buses currently operate in South Yorkshire. The role of the EP Operations Group is to provide a consistent means of identifying areas of concern on the network and putting forward requests and recommendations to the Board as to how to resolve these, ultimately resulting in a better bus service.

#### Recommendations

Note the contents of the report and recommend any actions necessary back to the EP Operations Group for consideration.

#### Consideration by any other Board, Committee, Assurance or Advisory Panel

Enhanced Partnership Development Group      07 September 2022

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## 1. Background

- 1.1 As part of the wider EP governance arrangements the EP Operations Group provides a consistent means of identifying areas of concern on the network and putting forward requests and recommendations to the Board as to how to resolve

these. This group, which meets monthly, has membership from SYMCA and Local Authority officers and bus operator representatives.

- 1.2 The EP Operations Group has now met three times and are starting to formulate a consistent means of monitoring and identifying issues and areas of concern on the bus network. This builds upon previous work undertaken by the district level Voluntary Bus Partnership Group meetings which operated from 2012 to 2021.
- 1.3 The EP Operations Group typically review operational network performance (punctuality, reliability, journey time and customer satisfaction) and use this as a basis to identify changes or interventions which are thought to be beneficial to improving overall network performance. Where an intervention is thought to be necessary, this is highlighted to the EP Development Group for consideration. In turn, and where appropriate, these will then be taken to a Future EP Board for approval.
- 1.4 The EP Operations Group will also ensure that the quarterly Performance Dashboard coming to EP Board is timely, accurate and adequately highlights performance issues (or indeed good practice) for noting by EP Board.

## **2. Key Issues**

- 2.1 Since its establishment, the EP Operations Group has initially focussed on ensuring that the necessary informal governance and structures were in place and that the group was satisfied that membership, standing agenda items and resourcing of the outputs and actions is fit for purpose.
- 2.2 A discussion and a subsequent paper on how best to escalate matters to this Board was considered. EP Operations Group propose that any areas of concern on the bus network are initially flagged to the EP Development Group (through a brief proforma) and then highlighted in both the quarterly Performance Dashboard narrative and also future iterations of this paper. We welcome Board's views on this proposal given it is appropriate for them to be made aware of only significant and strategic operational interventions proposed.
- 2.3 The EP Operations Group also requested that the previously established "Hotspots Groups" be reinstated. These groups, focused at Local Authority level, are a mechanism to allow small scale issues on the highway and bus network to be identified and be rectified. These typically are matters such as kerb re-alignment, changes to parking or waiting restrictions on the highway, traffic light changes or changes to bus stop infrastructure to improve the efficiency of bus movements. Funding for these interventions is typically achieved either through local highway budget or Local and Neighbourhood Complementary Transport Programme annual funding allocation through the CRSTS settlement (£9.9m over 5 years starting in 2022/23).

The hotspots groups will also provide a means to identify more substantial capital interventions which might require a formal project to be undertaken and a defined allocation created in current or future year capital programme. These will initially be considered by the EP Development Group and brought to this EP Board as required.

2.4 As EP Board members are hopefully already aware, DfT funding to support bus service recovery has been in place in various forms since March 2020. The latest round of funding of Bus Recovery Grant was due to end on 4 October 2022, but DfT announced an extension to this funding on 19 August for up to a further six months.

Whilst this funding extension is clearly welcome as it provides essential revenue support to bus operators, it doesn't entirely prevent and mitigate against the risk of service cuts in October or beyond.

Stagecoach is making some service reductions and amendments which are not viable during current funding extension.

Furthermore, whilst BRG is available for operators to claim from October 2022, First South Yorkshire have taken the decision that it is in their commercial interests not to claim BRG from this point onward, and instead implement their residual commercial network only, with any further services to be retained through tendered service buy back.

Discussions have been held with DfT to route BRG funding which would have been paid to First South Yorkshire directly to SYMCA to supplement its tendered services budget. In addition, some additional costs are likely to be incurred through changes to the Stagecoach network even with them claiming BRG.

At the time of writing, SYMCA officers are working through the implications of this on the network and what this means in terms of level of service provision from October, and beyond, relative to available funding.

2.5 As outlined in 2.4 above, even with the continuation of BRG funding, there remains a gap between the costs of maintaining services and the available budget.

However, the cost of maintaining the majority of the network (based on submitted tenders in August) is around £2.8m for per quarter relative to an assumed additional income of £1.8m.

2.6 SYMCA is placing additional tenders to secure at risk services, where possible, through to the end of the funding period (March 2023). Whilst this will protect the scope of services provided there will still be some service reductions.

2.7 Options to fund the gap between available funding and the cost of additional tenders are being developed. Given the difference between operators in the areas of operation and the approach taken to funding the impact across the network is not even and hence the scale of new tenders varies across the Region. The quarterly cost of the additional services, split by local authority area, are shown below.

	<b>2022</b>	<b>2023</b>
	Q3 (Oct-Dec)	Q4 (Jan-Mar)
Barnsley	£30,000	£30,000
Doncaster	£720,000	£720,000
Rotherham	£730,000	£730,000
Sheffield	£1,320,000	£1,320,000
<b>Total</b>	<b>£2,800,000</b>	<b>£2,800,000</b>

- 2.8 At the EP Operations Group in August, the group discussed commitments already included in the EP on timing of service change dates and annual fare changes.

The group have agreed in principle that the two significant service changes take place at the start of September (or late August) on the last Sunday prior to school returning for the start of the academic year, and on the first Sunday after the Good Friday/Easter Monday weekend. Whilst the precise dates will undoubtedly change each year, it will become familiar with passengers as to when to expect any significant timetable alterations and therefore be more predictable for them and for our communication activity with passengers to follow this timeline.

Board members should note that this does not include other more minor temporary seasonal service changes (linked to Christmas, New Year and school holidays).

On the issue of annual price changes, operators indicated that under normal circumstances they would be looking to agree a fare rise in early January 2023. This is typically timed to coordinate with the regional ticketing company (TravelMaster) fare rise which also takes place each January in turn to coincide with the annual rail fare rises which take place (as some TravelMaster products contain a rail component).

This issue will need to be considered as part of the wider work on ticketing and fares under consideration.

- 2.9 Finally, Board should note that at the most recent EP Operations Group, a discussion was held regarding contribution from partners to an annual EP Marketing Budget.

Whilst there is remaining budget available from the voluntary partnership which will sustain to March 2023, Local Authority partners with the exception of Doncaster were unable to commit to future contribution of marketing expenditure from April 2023.

Bus operators and SYMCA both confirmed that they were able to continue to contribute to future years budget, however the lack of wider contribution from local authority partners is of concern.

### **3. Options Considered and Recommended Proposal**

#### **3.1 Option 1**

EP Board consider the points presented in this paper and share their views on the points raised, and in particular the implications from the changing position on bus recovery funding and what this means in terms of future network stability.

- 3.2 Board is also asked to support the proposals set out in 2.8 in respect of consistent service change dates twice per year and a fixed price rise date once per year, as set out in the agreement underpinned by the Enhanced Partnership agreement to which participants are signed up to.

#### **3.3 Option 1 Risks and Mitigations**

This option of itself does not present a specific risk; more so that the implications of future arrangements on continued levels of public subsidy on bus services will have

a direct impact on the shape and extent of future bus services in to 2023 and beyond.

### **3.4 Recommended Option**

Option 1

## **4. Consultation on Proposal**

4.1 Not applicable; this paper is primarily and update paper for EP Board members to be made aware of latest discussions and proposals set out by the EP Operations Group.

## **5. Timetable and Accountability for Implementing this Decision**

5.1 Not applicable; this paper is primarily and update paper for EP Board members to be made aware of latest discussions and proposals set out by the EP Operations Group.

## **6. Financial and Procurement Implications and Advice**

6.1 Not applicable; this paper is primarily and update paper for EP Board members to be made aware of latest discussions and proposals set out by the EP Operations Group.

## **7. Legal Implications and Advice**

7.1 Not applicable; this paper is primarily and update paper for EP Board members to be made aware of latest discussions and proposals set out by the EP Operations Group.

## **8. Human Resources Implications and Advice**

8.1 Not applicable.

## **9. Equality and Diversity Implications and Advice**

9.1 Not applicable.

## **10. Climate Change Implications and Advice**

10.1 Not applicable.

## **11. Information and Communication Technology Implications and Advice**

11.1 Not applicable.

## **12. Communications and Marketing Implications and Advice**

12.1 Not applicable.