

Enhanced Partnership Board

Tuesday, 31 January 2023

Update on EP Programme Delivery

Is the paper exempt from the press and public?	No
Reason why exempt:	Not applicable
Purpose of this report:	Discussion
Is this a Key Decision?	No
Has it been included on the Forward Plan of Key Decisions?	Not a Key Decision

Director Approving Submission of the Report:
 John Dowie, Executive Director Infrastructure and Place

Report Author(s):
 Nick Brown, Project Director, Bus Partnerships

Executive Summary

The Enhanced Partnership, and the South Yorkshire bus network, are at a critical point. Recent months have seen some significant achievements in delivering EP priorities and supporting bus services in South Yorkshire. However, the underlying trends are not positive, and the bus system has not yet recovered from the impact of COVID. In the short term, the financial sustainability of the network is the single most pressing concern. Specifically, uncertainty over the quantum of government funding for bus services from April 2023 puts the maintenance of current levels of service at very significant risk.

Against this backdrop, a process has been started to refresh and reinvigorate the delivery of EP priorities and commitments, building on the “Accelerated EP programme” considered at the EP Board meeting on 29 November 2022.

This paper summarises key achievements and setbacks over recent months. It outlines how EP delivery will be managed in the future, and how progress will be reported. However, it also notes that while the EP represents a medium to long term recovery plan for the bus system, in the short term success in maintaining a viable bus network is likely to rest much more heavily on decisions around government funding support for bus services.

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

The Enhanced Partnership has been created to achieve a step change in the performance of the bus network in the South Yorkshire region. In time, its success will significantly enhance the passenger experience for public transport users. This in turn will support growth in bus patronage, and help it to achieve long-term financial sustainability.

Recommendations

It is recommended that:

1. Board members note the contents of the paper and share their views on progress with the EP programme and the South Yorkshire bus network.
2. The Board is invited to consider additional ways that can be used to raise awareness with government of the imminent funding crisis, and its likely impact on the South Yorkshire bus network.
3. Board members agree to receive a progress report on EP delivery for each EP workstream at each future EP Board meeting.

1. Background

- 1.1 The Bus Services Improvement Plan (BSIP) was agreed in October 2021, and the Enhanced Partnership Plan (EPP) and Enhanced Partnership Scheme (EPS) were formally adopted in April 2022. The EPP established the performance indicators and targets that will be used to measure progress. The EPS sets out a series of deliverables that EP partners have committed to implement. The EPS has been formally revised twice since April 2022. A list of “Accelerated EP” priorities and deliverables was also agreed at the EP Board meeting on 29 November 2022.

This paper updates the Board on progress against key EP performance indicators. It also provides a summary of progress with the delivery of agreed actions in the EPS, and a description of some of the key achievements and setbacks.

Finally, it provides advice on how the EP Programme is being structured in the future to ensure that agreed priorities are progressed.

2. Performance, Achievements & Setbacks

2.1 Performance

Performance against the EP targets is summarised in the latest EP performance dashboard in Appendix 1 (to December 2022). This shows:

- Passenger journeys at 58m per year (against a target of 77m)
- Punctuality at 80% (against a target of 95%)
- Reliability at 95% (against a target of 99.5%)
- Passenger satisfaction at 89% (data from Autumn 2019 against a target of 92%)

2.2

Achievements

There have been some notable achievements in recent months in relation to bus services and the delivery of the EP. These may be summarised as follows:

- The £2 fare cap, introduced on 1 November 2022, has exceeded expectations in relation to uptake. Over the two months of the locally-funded scheme, around 1.6m million tickets were sold, saving bus passengers an estimated £500,000. Research suggests uptake has been higher in low decile areas. Although an evaluation of the scheme is only just starting, this suggests it has been a great success in achieving its primary objective - to support low-income households with travel costs, in light of the cost-of-living crisis. It remains to be seen whether the availability of the £2 fare has generated new patronage, the secondary objective of the scheme. This is the focus of the evaluation work under way.
- SYMCA stepped in to support a significant number of new tendered services following the network contractions of summer/autumn 2022 (see below), at a cost of £7.2m including use of reserves. Although the net effect was a contraction in services of around 5%, SYMCA's intervention ensured the continued availability of services to many passengers that otherwise would have lost these services.
- Work has continued on delivery of the capital programme, with the following milestones having been met:
 - Bus priority schemes (eg A61, iPort Bridge)
 - 148 new shelters
 - 193 new real time displays at bus stops
 - Progress on contract award for the provision of the first electric buses in South Yorkshire
- Operators have invested in 20 brand new low emission buses due in summer 2023, with 23 zero emission electric buses planned for late 2023/early 2024. Operators are also moving towards Euro 6 compliant fleets to comply with the Sheffield Clean Air Zone.
- Some operators have started a process to review bus schedules to more closely reflect on-the-ground conditions. This will bring punctuality improvements when implemented (for further information, please refer to the EP Board paper on punctuality).
- Driver recruitment campaigns have successfully led to the recruitment of a significant number of drivers, though a shortage remains. Some new drivers are being trained through a driver apprenticeship programme using Sheffield-based Realise training to upskill drivers of the future.
- Operators are also focused on driver retention, working with local trade union representatives to review working patterns to improve work-life balance. Improvements in workplace support are also being implemented with health and wellbeing programmes and mental health support post pandemic.

2.3

Setbacks

There have also been a number of setbacks since the EP Plan was signed, which have adversely affected the effectiveness and reputation of the bus network, and create significant risk for the future.

- South Yorkshire was unsuccessful in its bid to government for BSIP funding, despite having created the Enhanced Partnership, and developed the BSIP, EPP and EPS.
- In October 2022 there was a significant contraction of the bus service network, including commercial services and some tendered services that were “handed in”. In part, this reflected poor patronage recovery following Covid (currently patronage is at 72% of pre-Covid levels), which has reduced farebox revenue at a time when costs have increased. As noted above, although the loss of commercial services was mitigated in part by an increase in the provision of tendered services, there was a 5% net loss of service miles.
- Significant fare rises were introduced on 2 January 2023 by TravelMaster and some operators, although to an extent these have been masked by the £2 fare cap.
- As noted above, punctuality is well below target. Research suggests poor punctuality is a major deterrent to attracting new passengers to use bus services. The reasons are complex, and post-pandemic travel patterns have exacerbated punctuality performance. Improving punctuality is a high priority for the EP, and a separate paper on punctuality being considered at the EP Board meeting provides more context.
- The level of government funding to support bus services and fares subsidy in the future is highly uncertain. Bus Recovery Grant and national funding for the £2 fare cap are both currently due to end in March 2023. There is no certainty thereafter about ongoing funding. If there is no continuation of funding, this will have a major impact on the ability of SYMCA to maintain the current network of tendered services. An exit strategy will also be required for the £2 fare, and this is subject to a separate presentation at the EP Board meeting.

2.4 Overall, the South Yorkshire bus network is at a critical point. Without sustained increases in government funding, and/or rapid and significant growth in patronage and farebox revenue, it is unlikely that the network will be able to be maintained at the current level.

The most immediate impact of a shortage of government funding will be the impact on passengers when national funding for the £2 fare cap ceases on 31 March 2023. A decision will need to be made well before this date on whether a fare subsidy can continue, and if so, at what level. Any SYMCA resources applied in this way will impact the ability of the Authority to continue to fund the current tendered service network if there is no further extension to the Bus Recovery Grant.

2.5 The EP is seeking to reverse the negative spiral described above, and create an environment where improved services attract new passengers, and increased farebox revenue can fund reinvestment in new improved services. However, many of the EP measures will take time to implement, and longer still to positively influence patronage levels and farebox revenue.

2.6 The EP Board is invited to consider additional ways that can be used to raise awareness with government of the imminent funding crisis, and its likely impact on the South Yorkshire bus network.

3. EP Programme Structure

3.1 There are a range of commitments and priorities agreed under the EP programme. These include:

- BSIP/EP Plan – 40 prioritised activities, interventions and policies in seven categories
- EP Scheme – 29 specific deliverables in six categories
- Accelerated EP programme – 27 priorities in four categories
- Patronage recovery plan – 10 priorities

From a programme management, reporting and communication perspective, we have consolidated and grouped these into the following 10 workstreams:

1. Punctuality, reliability and journey times
2. Fare subsidy and concessions
3. Network development
4. Ticket simplification
5. Retail strategy
6. Information
7. Bus stop infrastructure
8. Vehicles
9. Marketing and brand
10. Customer support and participation

3.2 This paper summarises (in Appendix 2) the broad strategy for each workstream. Each will be progressed through working groups convened by SYMCA. Progress against each workstream will be reported at each EP Board meeting.

4. Recommendations

4.1 It is recommended that:

1. Board members note the contents of the paper and share their views on progress with the EP programme and the South Yorkshire bus network.
2. The Board is invited to consider additional ways that can be used to raise awareness with government of the imminent funding crisis, and its likely impact on the South Yorkshire bus network.
3. Board members agree to receive a progress report on EP delivery for each EP workstream at each future EP Board meeting.

5. Consultation on Proposal

5.1 Not applicable as a discussion paper only.

6. Timetable and Accountability for Implementing this Decision

6.1 Not applicable as a discussion paper only.

7. Financial and Procurement Implications and Advice

7.1 Not applicable as a discussion paper only. Any financial implications resulting from schemes and proposals referred to in this paper will be subject to their own

financial and policy approval processes (e.g. through Transport and Environment Board).

8. Legal Implications and Advice

8.1 Not applicable as a discussion paper only.

9. Human Resources Implications and Advice

9.1 Not applicable as a discussion paper only.

10. Equality and Diversity Implications and Advice

10.1 Not applicable as a discussion paper only.

11. Climate Change Implications and Advice

11.1 Not applicable as a discussion paper only.

12. Information and Communication Technology Implications and Advice

12.1 Not applicable as a discussion paper only.

13. Communications and Marketing Implications and Advice

13.1 Not applicable as a discussion paper only.

List of Appendices Included:

1 EP performance dashboard (December 2022)

2 EP workstreams and strategic approaches