

**TRANSPORT & ENVIRONMENT BOARD**

**08/01/2021**

**RECASTING THE BUS REVIEW RESPONSE**

**Purpose of Report**

To set out the proposed changes to the Bus Review response work programme, the context behind those changes and plans to support the short-term recovery of the region's bus network.

**Freedom of Information**

This paper may be released under a Freedom of Information request.

**Recommendations**

That the Board;

1. Support the revised approach to the Bus Review response work programme and proposal to commission support to deliver a revised WP1
2. Support the development of a pilot programme to deliver short term recovery projects and support policy development

**1. Introduction**

- 1.1** The Bus Review examined the challenges facing the bus system in South Yorkshire and the causes of passenger decline. A series of recommendations were made that required further work to understand how they could be implemented and the associated costs. A 7-point plan was developed and agreed by the Mayoral Combined Authority (MCA) in July, with the first three strands of the Plan forming work package 1 (WP1). WP1 is intended to set out 'what a good bus system looks like' for the region, identifying service enhancements and measures to increase patronage, along with the costs of delivery for the consideration of Leaders.
- 1.2** Whilst WP1 has been under development the region's public transport system has become reliant on Government subsidy, which we expect to continue in its existing form until at least March 2021. SYPTA are developing a COVID Funding Exit Strategy to stabilise the network following the withdrawal of this support and once stabilised, the focus will shift to short-term recovery of the bus system and then onto service transformation. Changes to national bus funding are also anticipated in 2021 but the details are not currently available. The Bus Improvement Board (BIB), established to shape the delivery of the Bus Review response work programme, recently considered the impact of these issues on WP1 and how a

revised approach could support the COVID Exit Strategy and short-term recovery of the region's bus system.

## **2. Proposal and justification**

**2.1** The Bus Review identified the reasons behind the long-standing challenges facing the bus system in South Yorkshire and underpinning the passenger decline of recent years. A series of recommendations were made which required further work to understand how they could be implemented, and the costs involved. The MCA adopted 6 principles in response to the Bus Review, which led to the development of a 7-point plan that was designed to deliver upon those principles.

**2.2** The first three strands of the Plan became work package 1 (WP1) and comprise:

1. Route Analysis: To identify the level of service and network required, to better connect the region and grow patronage
2. Quality Analysis: To develop a consistent quality standard for passengers and outline where quality can be improved across the whole bus system
3. Environmental Analysis: To calculate the investment required to deliver the MCAs net zero commitments and the timeline for delivery

WP1 was programmed for delivery first, as it would set out what a good bus system looks like for the region and quantify the level of response that was affordable to the MCA. The programme of work was planned for concurrent delivery using consultancy support combined with MCA Executive and SYPTTE staff time. This blended delivery approach aimed to embed the outputs of WP1 quickly and effectively.

**2.3** In parallel to the development of WP1, the pandemic has continued to impact public transport with the operation of the region's bus system now reliant on Government subsidy. We expect this funding to continue in its current form until at least March 2021 but there is less certainty regarding Government's intentions for support in the new financial year. We do expect however, some level of support to remain in place until social distancing restrictions are lifted. In addition, Government are proposing alterations to the way funding for buses is managed nationally but at present, we do not know the amount of money that will be available to the region or the framework that will be used for its distribution.

**2.4** Due to the challenges facing the bus network that have emerged following publication of the Review, a new phased approach is recommended to the improvement of the region's bus system:

- Stabilisation Phase - To ensure the region retains a level of service during this period of instability, SYPTTE are working on a COVID Exit Strategy that will focus on stabilising the network between now and the end of 2021, as the current subsidy is withdrawn
- Recovery Phase - As the bus system begins to stabilise, projects that will support the short-term recovery of the network will be required, to carefully drive demand for the service, which has fallen away during the pandemic.
- Transformation Phase - As the bus system recovers the transformation of the network can begin, focussing on delivering significant improvements and expanding the network.

The stabilisation of the bus network following the withdrawal of Government subsidy is anticipated to last throughout 2022, therefore planning large scale improvements during this time would be likely to result in abortive work.

- 2.5** Whilst making long-term plans to deliver a good bus system may not be suitable during the stabilisation phase, the development of a Bus Improvement Plan containing objectives and setting out 'what good looks like' for the medium term, would support case making to Government as part of the anticipated National Bus Strategy and to support the short-term renewal of the bus system. It is therefore recommended that WP1 evolves to focus on what we must deliver to support service provision post COVID, what we could deliver with additional subsidy to meet our policy aims and what we would like to deliver with further support from Government. This Plan would dovetail the COVID Exit Strategy and will ensure that investment made in the recovery of the region's bus system, is aligned with the MCA's objectives for bus. A recast WP1 is shown in Appendix I, which once delivered would form our Bus Improvement Plan. It is proposed we commission support to deliver this work in 2021.
- 2.6** The short-term recovery phase also presents an opportunity to implement some of the Bus Review recommendations and to demonstrate what a better bus system could look like. An option for the consideration of the Board is the creation of a programme of pilot schemes that aim to tackle some of the challenges identified in the Bus Review. For example, a zero emission bus pilot could represent our net zero commitments, a demand responsive service could explore how technology could be used to better serve the needs of rural communities and a reassurance campaign could help to restore public confidence in our public transport system following the pandemic.
- 2.7** This work programme could help to carefully drive up demand for the system as part of the short-term recovery phase, as well as 'modelling the future' for the region's bus services and providing a method of collecting data to support future project development. Pilot schemes could be sought from communities and the private sector, with the programme of Future Bus Pilot Projects used to bridge the gap between the current post-pandemic stabilisation phase and the outputs of WP1. A pilot programme could also be used to explore improvements in service quality as part of the 'recovery' activity, including the creation of an offer for our disabled passengers and those who require additional support to complete their journey.

### **3. Consideration of alternative approaches**

- 3.1** The MCA could continue to progress a large and expansive improvement programme aimed at delivery of the original Bus Review recommendations. This is not recommended due to the uncertainty presented by the withdrawal of COVID funding and the anticipated changes to national bus funding in 2021. To continue with an expansive work programme would lead to abortive work being undertaken and would also detract resources from the COVID Exit Strategy work, which is required to stabilise the system.

## 4. Implications

### 4.1 Financial

The three work packages proposed in this paper are forecast to cost not more than £285k cumulatively and the costs for any bus pilot programme have not yet been assessed. Noting that the revenue budget for 2020/21 was not set with resource for this activity, MCA Leaders have approved the costs of the activity being underwritten from South Yorkshire Transport revenue reserves in the first instance, with underspends accruing mid-year being redeployed where possible.

### 4.2 Legal

The procurement approach has been developed alongside our PPU and legal teams and to ensure the process complies with regulations

### 4.3 Risk Management

There is a risk that the baseline information required to undertake the Analysis Workstreams will continue to change throughout stabilisation. To mitigate this risk, WP1 has been developed in partnership with SYPTE to ensure the COVID Exit Strategy forms the starting point of this work and the forecasting used by SYPTE is reflected in the plan.

### 4.4 Equality, Diversity and Social Inclusion

The delivery of this work will outline improvements to the bus network that will benefit the residents of South Yorkshire and aim to improve social inclusion.

## 5. Communications

- 5.1 The MCA and SYPTE communications teams will work together to ensure passengers and stakeholders are kept well-informed of the plan for reform, its vision and that improvements are communicated to demonstrate how progress is being made. We will work with the Board to discuss and agree its role in communications around the Bus Review.

## 6. Appendices/Annexes

- 6.1 Appendix I – Recast WP1

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Background papers used in the preparation of this report are available for inspection at: 11 Broad Street West, Sheffield S1 2BQ

Other sources and references: