

Future Management of Local Bus Services

Report of the Director of Climate Change, Environment and Transport

1. Background/Introduction

A paper on the [Future Management of the local bus network in Devon](#) was submitted to the County Council's Cabinet on 13 July 2022. Among the recommendations the Cabinet agreed to:

- a) Establish an Enhanced Partnership (EP) with our local bus companies to implement actions from the Government's National Bus Strategy and Bus Service Improvement Plan (BSIP) funding allocation
- b) Seek a review by the Director of Climate Change, Environment and Transport on the state of the network by November 2022 when the Enhanced Partnership should be in place.

This paper sets out the progress made with the establishment of the EP and what this means for the management of local bus services. It also provides an update on the challenges facing the County Council as Public Transport Authority and our bus companies on the future of the local bus service network.

2. Establishment of the Enhanced Partnership

An EP with our bus companies was formally made on 17 October 2022. There is a legally binding agreement which sets out how the County Council and local bus companies, running registered local bus services, will work together. Having an EP in place is a condition of the County Council receiving its financial allocation, from the Department for Transport (DfT), following the submission of its BSIP in October 2021. It is also required for the County Council to be eligible for any other public transport related funding in the future.

A link to the Enhanced Partnership is shown below:

[Transport websites - Devon CC - Enhanced Partnership Plan & Scheme v.5.0 FINAL 3.11.22.pdf - All Documents \(sharepoint.com\)](#)

A meeting of the proposed EP board was held on Thursday 3 November and a regular quarterly meeting, notified to the public, will be in place from January 2023.

The meeting of the board established the following:

- Board Structure and Meeting Timeline
- How engagement with all operators will take place
- Terms of Reference for the board
- The update on the funding timeline from the BSIP allocation

- A review of the final EP Plan & Scheme to seek final DfT approval to release BSIP allocation funding
- The make-up of a Bus Forum which will feed into the EP Board

Linked to the EP board will be the Bus Users and Stakeholders (BUS) Group. This will comprise a wider range of bus user representatives and stakeholders with a vested interest in the local bus network (e.g., the rail industry, local businesses, passenger representative groups, bus companies and local councils). This group will provide a second tier of peer review and performance consultation and the group will be able to challenge the success of deliverables achieved through The Plan and The Scheme, providing feedback and evaluation to the EPB via the BUS Group Chair and passenger representatives. One of the first task of the Group will be the establishment of a Customer Charter.

3. State of the Local Bus Service Network

The local bus network has faced unprecedented challenges since the start of the COVID19 pandemic in March 2020. From the initial lockdowns and with passenger numbers on many services not returning to pre-pandemic levels on many services, the network has survived through continued pandemic related recovery funding from the Government and the County Council maintaining its Public Transport budget and Concessionary Bus Travel budgets.

With the latest round of recovery funding in place until the end of the current financial year, March 2023, there remains major concern about what level of bus services can be maintained.

4. Current patronage levels

Total patronage across all the County's services is averaging at around 80% of pre-pandemic levels. Concessionary passengers are running at between 70% and 85%, dependent on the service and operator. School and college travel, which forms the backbone of the network has largely returned to normal. Bus services that attract leisure/tourist travellers are also doing better than town or city services. Services in place for regular commuters have taken the hardest hit, for example Park & Ride services where individuals have been more reluctant to change modes on their journeys.

5. Changes to the commercial network

Stagecoach's reliability issues is also a major factor in holding back patronage growth. The impact of the local driver shortages is well documented with it being raised over the last nine months at the Exeter Highways and Traffic Orders Committee (HATOC), Cabinet and Full Council.

Two letters from the Cabinet Member for Climate Change, Environment and Transport to the Traffic Commissioner for the south west resulted in a Public Inquiry on Thursday 27 October. The Cabinet Member, our Head of Transport Coordination Service (TCS) and a senior public transport officer attended this hearing as key witnesses. At the time of writing, we await the Traffic Commissioner's findings and

scale of any sanctions they will impose on the company. A verbal update will be provided.

With ongoing reduced patronage and increased operating costs, alongside ongoing recruitment drives, ahead of the hearing Stagecoach initiated changes to their commercial network. Along with this, they also handed back County Council subsidised bus service contracts. They implemented these key actions to reduce the number of driver duties required to operate their network, which they planned would improve reliability. This network was put in place from 30 October with the many changes set out on the County Council's Travel Devon pages. [Changes to Bus Services in Devon from 30th October 2022 - Travel Devon](#)

Stagecoach fully consulted the County Council and Officers from the TCS were able to secure some replacements taking into account patronage, operator availability and the recovery funding.

6. County Council funded services

The anticipated end of the COVID related recovery funding, the requirement to reduce Concessionary Bus Travel payments to actual levels of travel and the County Council's overall funding position creates a further perfect storm for the future support of public and community transport from the next financial year, 2023/24.

The current County Council supported bus network covers 189 services across Devon, serving virtually every community, from hamlets and villages, small towns, and larger conurbations such as in Exeter, Exmouth, Newton Abbot and Barnstaple. The supported network costs approximately £5million and covers approximately 5 million passenger journeys accessing work, education, health and basic shopping needs.

Without County Council support around 80% of Devon would be left without a local bus service. The impact on communities for whom the local bus is a lifeline, the economy, and people's ability to travel to work and training would be huge.

The maps shown as **Appendix 1** and **Appendix 2** illustrate the scale of the supported network. The first shows the County Council supported and commercial bus services. The second shows only the commercial network.

The County Council's support for public and community transport is entirely discretionary. However, through the years of austerity and the pandemic, in marked contrast to many other areas, the County Council has maintained its support for public transport. The County Council has led on its strategic use of COVID related recovery funding awarded by the DfT, to ensure the County had a viable post COVID bus network.

With Recovery funding due to come to an end in March 2023, there is likely to be a long term shortfall. This is due to increased commitments from reinstating previously operated commercial services, contract surrenders and overall high transport inflation.

7. Regulatory framework

Bus companies must register a change to a local bus service timetable at least 70 days before the date of introduction. The first 14 days are for the bus company to consult with the local Public Transport Authority (PTA) on their proposed commercial changes. The PTA will then assess the proposed changes, and take action it deems necessary, for example by issuing a tender for a replacement subsidised bus service. Following the 14 days, the complete registration is then sent to the Traffic Commissioner covering the remaining 56 days' before the start date.

8. Consultations

The Enhanced Partnership Plan and Scheme document has gone through a statutory consultation process (as defined by the DfT) with key identified stakeholders and all bus operators in Devon.

Should the County Council have to reduce or cut financially support for local bus services a full public consultation is required, and we would need to produce an Impact Assessment. Officers would be required to complete analysis of the current network and options for future delivery, including negotiation with existing providers and/or new tenders issued. Experience from previous budget reduction has shown that the planning and consultation process takes around nine months. A large-scale cut is unprecedented and will be a greater volume of work than previously experienced.

9. Strategic Plan

Transport is a cross-cutting theme across all areas of the Council's strategic plan playing a key role in ensuring access to key services, including education, health, and employment. It is important that it is considered at an early stage in the development of any plans to ensure access for Devon's communities. It is strongly linked to the themes of stronger resilient communities, the climate emergency, and a financially secure Council.

10. Conclusions

The establishment of an Enhanced Partnership is a positive step forward in restoring confidence in the local bus network and will lead to more formalised joint working between the County Council and our local bus companies. But it comes at a time when the funding from our BSIP submission is much reduced and the overall transport market continues to face unprecedented challenges.

The local bus is often the forgotten mode of transport but without a network there will be major impacts across whole communities without regular access to health, education, employment and other essential services.

Meg Booth
Director of Climate Change, Environment and Transport

Electoral Divisions: All

Cabinet Member for Climate Change, Environment and Transport: Councillor Andrea Davis

Head of Service Damien Jones, Head of the Transport Coordination Service

Local Government Act 1972: List of Background Papers

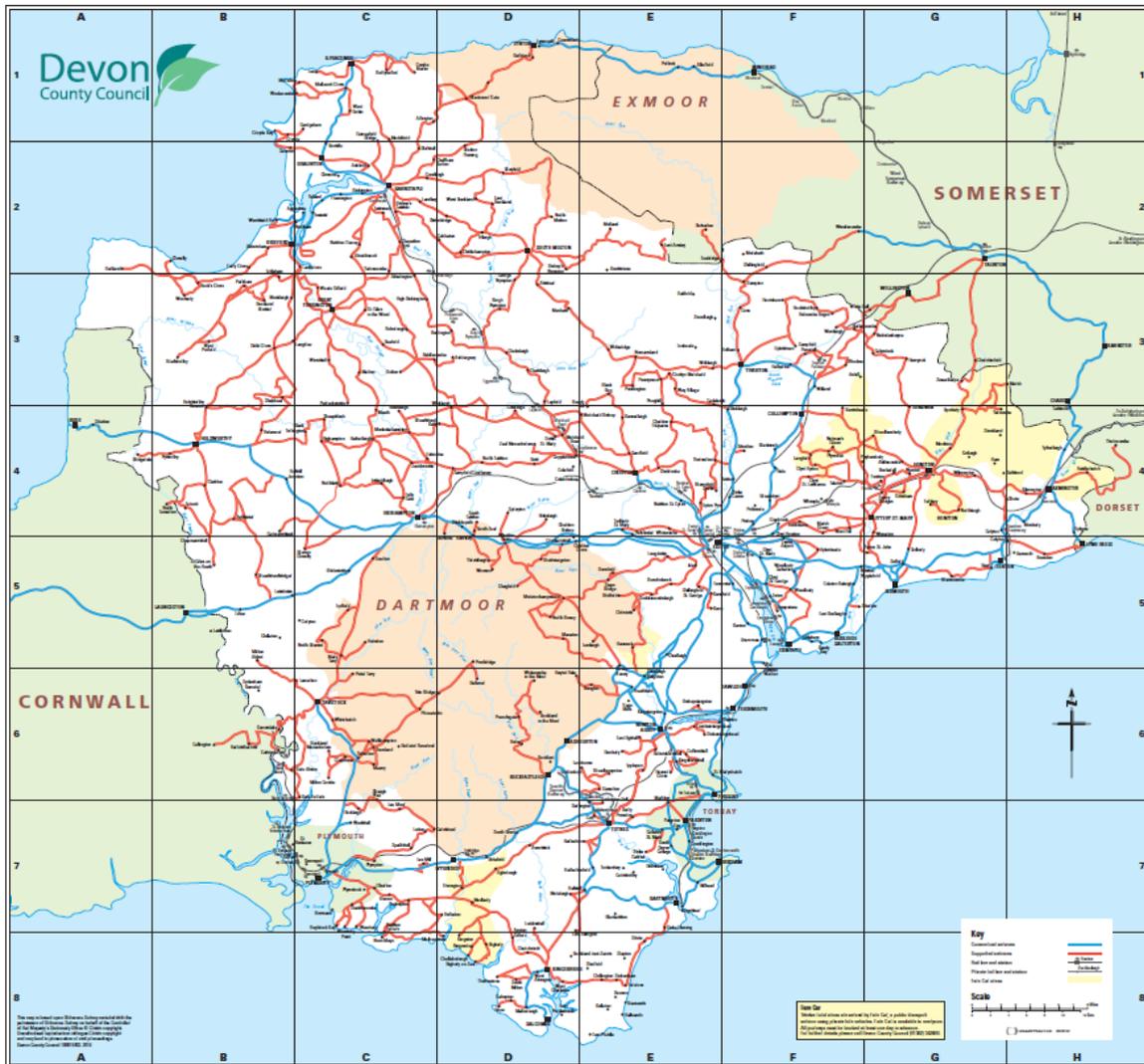
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Background Paper	Date	File Reference
Nil		

Future Management of Local Bus Services - Final

Appendix 1 to CET/22/72 - Map showing commercial and DCC supported bus services in Devon – August 2022



Appendix 2 to CET/22/72 - Map showing **commercial** bus services only in Devon – August 2022

