

## Transport Delivery Committee

<b>Date</b>	4 <sup>th</sup> November 2019
<b>Report Title</b>	Bus Business Update
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<b>Report has been considered by</b>	Putting Passengers First Lead Members

### Recommendation(s) for action or decision:

- To note the contents of this report.

### 1.0 Purpose of Report

- 1.1 To report matters relating to the performance, operation and delivery of bus services in the West Midlands. This report includes:

-	<b>A Better Deal for Bus Users</b>
Section A	<b>Bus Services Performance Summary</b> Punctuality and reliability January 2019
Section B	<b>Tendered Bus Services Contracts – April 2019</b>
Section C	<b>Bus Operational Matters and Passenger Impacts</b> <ul style="list-style-type: none"> <li>Bus Service Registrations</li> <li>Bus Stop Infrastructure</li> <li>Kingshurst</li> <li>National Express West Dudley Area Review</li> <li>Network Resilience – Birmingham Westside Extension</li> </ul>

### A Better Deal for Bus Users

- 2.1 On 30<sup>th</sup> September 2019, the Government announced ‘A better deal for bus users’, a range of commitments to improve bus services in the UK.

<https://www.gov.uk/government/publications/a-better-deal-for-bus-users/a-better-deal-for-bus-users>

## 2.2 **National Bus Strategy**

- 2.3 The Government will develop a National Bus Strategy for England to underpin a long term, sustained improvement to bus services. It will focus on the needs of passengers and set out how national government, local government and the private sector will work together to meet local community needs. The long-term vision will be accompanied by a long-term funding commitment; as part of this, existing funding for buses will be reviewed, including existing grant funding to operators.
- 2.4 Transport for West Midlands will seek to work with Government to influence the National Bus Strategy so that long-term commitment and funding for buses is secured. TfWM are already working with the Urban Transport Group (UTG) and will continue to work alongside other metropolitan areas to ensure that this helps provide for investment in buses without hindering any devolution agenda.

## **Bus Priority**

- 2.5 To ensure buses can be reliable and quick, bus priority is emphasised as a vital part of ensuring good journeys. Therefore, the Government has stated that local authorities need to ensure adequate bus priority measures are actively considered, and all new road investments in England which receive central UK Government funding will be required to either support bus priority measures or explain why doing so would not be necessary or appropriate in that instance. This will need to be explicitly addressed in all future funding bids. The Government will ensure guidance for local authorities will be up to date to help ensure authorities have the information required to improve bus speeds.
- 2.6 The Government has committed more than £20m to fund new bus priority measures to transform bus services in in the West Midlands. The funding package will go towards the creation of new bus lanes, upgrades to junctions and better bus stops to improve journey times and reliability and offer a convenient alternative to the car. Improvements will be focused on Birmingham city centre and links to the south and west Birmingham and Dudley, offering passengers quicker connections as well as links to the expanding Metro, Rail and Sprint networks. It is expected that the new links will benefit 73 million passengers a year. The interventions are focused on delivering priorities in the West Midlands' Vision for Bus as endorsed by the Local Authorities through the WMCA in November 2018.
- ## 2.7 **Tackling air quality and greenhouse gas emissions**
- 2.8 The Government identifies the importance of buses in addressing air quality issues and reducing emissions and understand the importance of continuing to invest in low emission vehicles.
- 2.9 The Government will be seeking expression of interest from local authorities and bus operators in developing an all-electric bus town or city, which will see the entire bus fleet changed over to zero emission capable buses. The town, not yet identified, will serve as a model for zero-emission bus travel. Up to £50m will be invested to

contribute to new buses and the supporting infrastructure, and local authorities will need to show how this supports wider plans for public transport in the town or city.

## 2.10 **Passenger information and publicity**

2.11 The Government identify information as an important consideration for passengers; it is vital that bus users can know when and where the bus will go, and how much it will cost. The Government is currently developing a new open data portal for bus which will contain information on bus services for use by app developers. It is intended that fares and location data will be available from January 2021.

2.12 The Government will also look to local authorities and operators, with input from passengers, to determine what information should be available to passengers (such as timetables and maps) so that people who do not have access to apps can also benefit from clear and simple information.

2.13 The Government has identified a need to raise awareness of improvements to services locally to encourage people to travel by bus, and will work with industry, including operators, local authorities and Transport Focus to identify activities to do this. TfWM and Transport Focus's 'Give Bus a Go' campaign has been identified as an exemplar activity that demonstrates how buses can be marketed to attract new passengers.

## 2.14 **Fares and payment**

2.15 The Government is looking to work with local authorities and operators to identify ways to encourage operators to implement multi-operator tickets and fares caps. To make it easier for passengers to pay, the Government will also work with industry to ensure all buses accept contactless payment. The Government will encourage local authorities to specify contactless payment when tendering for services and/or offer grants for provision. In the long-term, consideration is being given to whether bus service operators grant would not be paid to operators who do not offer contactless payment from a set date.

## 2.16 **Superbus Networks**

2.17 The Government will fund a four-year pilot in Cornwall from May 2020 to bring down fares. It will build on Cornwall's existing One Public Transport project, aiming to provide integrated public transport by joining up the bus and rail networks to demonstrate whether and how such an approach works in a rural area.

2.18 The Government are also exploring whether a further pilot could be developed to decrease fares and improve frequencies in an urban area through the local authority and bus operators entering into a partnership; the local authority would provide capital investment in bus lanes and other bus priority measures, in exchange for the bus operators delivering high frequency services.

## 2.19 **Supporting Bus Services**

2.20 Government currently supports bus services through a grant of around £250 million a year. This benefits passengers by helping operators keep their fares lower and service levels higher than would otherwise be possible. Since January 2014,

around £43 million of the grant is paid directly to local authorities, rather than bus operators, to support socially necessary bus services in their area that are not commercially viable. The government recognises the importance of these services which can provide vital connections to people in rural areas or ensure that more frequent evening or Sunday services are available. To improve current bus services, or restore lost services where needed, the government will pay an extra £30 million to local authorities in 2020/21.

#### **2.21 On-demand services**

2.22 The Government has established a fund of up to £20m to trial on-demand services in rural and suburban areas. The Government will shortly seek expressions of interest for the new fund with the intention to have operations starting on the ground as soon as possible. Applicants will need to demonstrate how the demand responsive solution fills a gap in transport provision in rural and suburban areas and how it works better or enhances opportunities for local residents to access services and employment, in contrast to traditional bus services. More details on the eligibility, assessment criteria and timetable for applying will be provided in the expression of interest.

#### **2.23 What it means for the West Midlands**

2.24 The announcement from Government demonstrates a step-change in priority of bus in the UK. It is positive that the Government has committed significant investment towards improving bus services and developing a National Bus Strategy. TfWM has adopted a Vision for Bus - with nine objectives for improving bus services in the region. The proposals set forth by Government mirror the broad desires in the Vision for Bus, with priorities based on improving the speed and reliability of buses, value for money and payment technology, improved accessibility and passenger information. TfWM will be working with local authority partners and other key stakeholders through the West Midlands Bus Alliance to develop viable proposals for enhancing bus services in the region and respond to funding opportunities from Government. In addition, TfWM will seek to influence the National Bus Strategy to ensure long-term commitment and funding is available for buses.

### **3.0 Section A Bus Services Performance Summary**

3.1 Bus reliability for April 2019 is 93.8 per cent against a target of 97.0 per cent. Bus punctuality is 82.0 per cent, against a target of 81.7 per cent. Increasing traffic levels and congestion continue to impact on bus service punctuality. Slower buses mean increased journey times and variability, causing reduced access to jobs, leisure and other retail opportunities for people.

3.2 TfWM is reviewing how bus network performance is measured and reported. A Bus Performance Board through the West Midlands Bus Alliance has been established involving the Traffic Manager from each of the seven constituent authorities, TfWM Director of Integrated Network Services, TfWM Head of Network Delivery and local bus operators. This Board will enable improved accountability of how well bus services are operating and what we can do to improve them. The available data to inform the bus performance reporting is being reviewed with the proposed bus performance measures, approach and reporting governance to be agreed by the Board and will be brought to the Transport Delivery Committee.

#### **4.0 Section B Tendered Bus Services Contracts – October 2019**

- 4.1 Bus Service Contracts to commence in October 2019 include the award of:
- 26 contracts to commence on 27 October 2019;
  - 1 existing extendable contract extended from 27 October for a further period of 52 weeks;
  - 24 contracts on a de minimis basis from 27 October 2019 for 52 weeks.
- 4.2 Following this tender round there will be a further 28 vehicles which meet Euro VI emissions standards introduced across the tendered network from October 2019. This will provide a significant contribution to the target for the West Midlands bus network to be operated by vehicles with at least Euro VI emission standards by April 2021. The October 2019 tender round also included a new entrant, Thandi Coaches.
- 4.3 Following the April 2018 tender round, when the number of bidders, and bids per contract, significantly reduced, there has been a steady improvement in the average number of bids per contract during subsequent tender rounds. This has been supported by TfWM encouraging new and existing entrants to consider bidding for subsidised bus contracts. Nine different operators submitted bids across all October 2019 contracts, with an average of 2.64 bids per contract.
- April 2018 – bids 1.56
  - October 2018 – bids 2.47
  - April 2019 – bids 2.31
  - October 2019 – bids 2.64
- 4.4 Following Accessible Transport Group (ATG) no longer operating tendered local bus services in April 2019, one of TfWM's largest contractors of subsidised bus services have exited the market. This has resulted in additional costs to TfWM to bring in replacement operators on the ex ATG contracts, both on an emergency basis and a substantive basis. This has also led to an increase in the respective subsidised bus market share of National Express and Diamond Bus, who are the two operators with the largest market share.
- 4.5 TfWM will review the contracts that are due to expire in April 2020 with the objective of maintaining a local bus network that adheres to the TfWM accessibility standards whilst seeking opportunities to minimise cost. This will be carried out by ensuring a data led review of existing contract performance, creative service and tender design and seeking to encourage new entrants into the West Midlands tendered bus market and negotiating competitive contract extensions.

#### **5.0 Section C Bus Operational Matters and Passenger Impacts**

##### **Bus Service Registrations**

- 5.1 TfWM continue to publish bus service changes confirmed by the Traffic Commissioner on the Network West Midlands website (Upcoming bus changes) every Wednesday and circulate the upcoming bus changes electronically, including to all TDC members.

- 5.2 To the end of October 2019, the team has processed 559 bus registrations received from operators, with 500 published service changes. This has included service changes as a result of major events, like the Velo and summer timetables. TfWM continue to review their processes for bus service registrations, whilst working with local bus operators and other changes to public travel information.

### **Bus Stop Infrastructure**

- 5.3 TfWM continue improve and invest in bus stop infrastructure, including bus shelters and bus stop clearways, with over £1 million invested since 2017, meeting a key Bus Alliance deliverable.
- 5.4 So far in 2019, 76 new shelters have been installed across the network. This has included a Sprint prototype shelter on the Coventry Road, a new shelter in Solihull Town Centre and improvements to complement the Birmingham Cycle Revolution improvements on the A34 corridor.
- 5.5 TfWM has completed upgrades to 605 bus shelters, rebranded with the new West Midlands Bus colours as part of the re-branding programme.
- 5.6 TfWM continue to invest in improving the safety, security and appearance of our bus stop infrastructure estate, through committed programmes of digitalisation, re-branding, capital improvements and the West Midlands Bus Alliance.

### **Kingshurst**

- 5.7 A number of responses have been received from residents and businesses in the Kingshurst area, regarding reduced accessibility from bus services. This included the Fordbridge estate, an area of low car ownership, where a number of properties were outside of our access standards.
- 5.8 TfWM led an engagement exercise in the area with National Express, to ascertain the key concerns and views of passengers and businesses. This included an event in Kingshurst, attended by TfWM and National Express to discuss changes to services in the area to improve access. From the 1<sup>st</sup> September 2019, changes to the 58 bus service (commercial) and 99 bus service (subsidised but operated by National Express) came into effective, which has improved accessibility for the area.
- 5.9 TfWM continue to monitor the services with National Express to ensure that the offering is the most appropriate for passengers in the area.

### **National Express West Dudley Area Review**

- 5.10 National Express have reported that they are currently analysing the results of the public and stakeholder engagement exercise which has now closed and was carried out in the summer of 2019. TfWM are working with National Express to understand the feedback that has been received. The final proposals are currently being developed with an intended service change date of early 2020.

## **Network Resilience – Birmingham Westside extension**

- 5.11 Phase two of the Birmingham Westside extension will see the metro further extended from Centenary Square along Broad Street to Hagley Road on Edgbaston (just west of Five Ways).
- 5.12 To facilitate the delivery of the project, the next phase of construction is for Broad Street between Sheepcote Street and the Five Ways roundabout. This has required a number of bus mitigation measures to be implemented to facilitate and maintain bus services in the area and suitable passenger facilities. These mitigation measures include traffic regulation orders, parking restrictions, traffic management and physical highway works.
- 5.13 These temporary measures were introduced from September 2019 and will be in place for the duration of the construction works (up to 14 months):
- Conversion of the junction of Grosvenor Street West and Sheepcote Street to a traffic light junction. These works will include incorporating the current push-button crossing on Sheepcote Street into the temporary traffic signals. There will be 'No loading at any time' within 30m of the junction.
  - Sheepcote Street bus stop opposite Grosvenor Street West suspended for the duration of the works.
  - Suspension of on-street parking on the south side of Ryland Street between Grosvenor Street West and Broad Street.

## **6.0 Financial Implications**

- 6.1 There are no direct financial implications as a result of this update report. Costs incurred or support provided by TfWM from undertaking activity referred to in this report will be from within agreed overall budgets and resources informed from previous decisions.

## **7.0 Legal Implications**

- 7.1 This report is for information only and there are no new direct legal implications arising.

## **8.0 Equality Implications**

- 8.1. This report is for information only and there are no new equality implications.

## **9.0 Inclusive Growth Implications**

- 9.1 This report is for information only; however, bus is a vital component to inclusive growth as it directly supports access to the labour market, and allows people to access education, employment and services. The flexibility of the bus network also makes bus the perfect means of providing public transport options in areas of growth, changing travel demand and new housing; directly supporting our West Midlands Housing Deal and Local Industrial Strategy. This means that buses are central to supporting regeneration, inclusive growth and social integration. Where

there may not be a case for investing in permanent rail and light rail infrastructure, new bus infrastructure can be planned to connect new communities and support housing and jobs growth.

## **10.0 Geographical Area of Report's Implications**

- 10.1 This report covers the constituent area of the Combined Authority but due to the importance of cross boundary services – into and out of the constituent area – partnership working with non-constituent and shire authorities is crucial in undertaking activities referred to in this report.