



CABINET – 29 MARCH 2022

**NATIONAL BUS STRATEGY:
ENHANCED PARTNERSHIP PLAN AND SCHEME AND
BUS SERVICE IMPROVEMENT PLAN**

REPORT OF THE DIRECTOR OF ENVIRONMENT AND TRANSPORT

PART A

Purpose of the Report

1. The Leicestershire Bus Service Improvement Plan (see background papers), which supports the Government's National Bus Strategy (NBS), was approved by the Cabinet in October 2021. This report seeks approval of the associated Enhanced Partnership Plan (the Plan) and Enhanced Partnership Scheme (the Scheme) as shown in Appendices B and C and approval for the County Council to enter into an Enhanced Partnership with bus service operators.

Recommendations

2. It is recommended that:
 - a) The outcome of the consultation undertaken by the County Council in respect of the Enhanced Partnership Plan and Enhanced Partnership Scheme as set out in the report and Appendix C be noted;
 - b) The establishment of an Enhanced Partnership with bus service operators, based on the Enhanced Partnership Plan and Enhanced Partnership Scheme (Appendices A and B respectively to this report) be approved;
 - c) That registrations for local bus service changes and requests for funding to support local bus services continue to be assessed in line with the Council's adopted Passenger Transport Policy and Strategy (PTPS), pending a review of the PTPS once the Enhanced Partnership is in place.

Reason for Recommendations

3. To note the outcome of the consultation and the views expressed.
4. To fulfil the Government's requirement to have an Enhanced Partnership (supported by a Plan and Scheme) in place, which will be the delivery vehicle

for the Bus Service Improvement Plans (BSIP) and a pre-requisite for the Council to be considered for BSIP funding.

5. To note the intention for the County Council to continue to assess registrations for local bus service changes and requests for funding to support them, in line with the PTPS and the intention to review the PTPS once the Enhanced Partnership is in place.

Timetable for Decisions (including Scrutiny)

6. Subject to the Cabinet's approval, the Enhanced Partnership will be put in place by the Government's original deadline of the beginning of April 2022. The Government has recently relaxed that requirement by one month but for the reasons set out in Part B of this report, it is considered best to meet the original April deadline.
7. The Highways and Transport Overview and Scrutiny Committee considered a report on the NBS BSIP and Enhanced Partnership on 4 November 2021.

Policy Framework and Previous Decisions

8. In October 2018 the Cabinet approved the Authority's PTPS which sets out the policy objectives and key supporting principles that guide the County Council's support for road-based passenger transport services across Leicestershire.
9. In May 2019, the County Council declared a Climate Emergency. The updated 2020 Environment Strategy sets out how the Council will reduce the environmental impacts of travel and transport. Providing frequent, high quality passenger transport services is a key element in delivering the Climate Change commitment and the Environment Strategy.
10. In November 2020 the Cabinet approved the Leicester and Leicestershire Strategic Transport Priorities document (2020-2050), which highlights where Leicestershire County and Leicester City Councils will work together to deliver common transport aims and objectives. Its principle aims include:
 - a) supporting the transition to a low-carbon and circular economy;
 - b) adapting to climate change;
 - c) improving connectivity;
 - d) supporting and driving the economy to unlock growth; and
 - e) supporting the efficient movement of both people and goods around and through the County.
11. In June 2021 the Cabinet approved the commitment to the establishment of an Enhanced Partnership, and publication of a statutory notice to that effect, in order to comply with the requirements of the NBS and the guidance. Further to this, work continued on the development of the Enhanced Partnership.

12. In October 2021 the Cabinet considered a report on the NBS and approved the Leicestershire BSIP. It also approved the issuing of a statutory notice to bus operators and, subject to no objections being received, the undertaking of a public consultation on 'The Plan' and 'The Scheme'. It also resolved that the Council's Passenger Transport Policy and Strategy (2018) be amended, to take account of the formal establishment of the Enhanced Partnership and the delivery of the BSIP.

Resource Implications

13. In June and October 2021, the Cabinet considered reports on the NBS, which included details about Government funding, the need to appoint an Enhanced Partnership Manager and support team, the Authority's BSIP funding requirements and funding uncertainties. This information remains unchanged and a link to these reports is provided in 'Background Papers'.
14. The County Council still awaits notification of the respective funding allocations. The Government continues to make it clear that ongoing access to passenger transport funding (and possibly wider highways and transport funding) remains contingent on compliance with the requirements of the NBS, the guidance and the delivery timetable. Any reductions in funding allocations will need to be met through a measured approach to the scaling back of activities to ensure spend remains within budget.
15. A separate report on the agenda for this Cabinet meeting deals with the challenges currently faced by the local bus services and the potential resource implications for the Authority.
16. The Director of Corporate Resources and the Director of Law and Governance have been consulted on the content of this report.

Circulation under the Local Issues Alert Procedure

This report has been circulated to all Members of the County Council.

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PART B

Background

17. The Government published its guidance on Bus Service Improvement Plans (BSIP) in May 2021, setting out a vision for delivering the step-change in bus services that is required by NBS, which can be achieved by Local Transport Authorities working closely with their local bus operators and local communities.
18. Notwithstanding the vision and ambitions, the proposals come at a time of considerable challenges to the bus market nationally. These include the ongoing impacts of the Covid-19 pandemic on patronage levels (and uncertainties as to whether 'new normal' patterns of working and travel behaviours will result in a long-term impact on patronage), increased and increasing fuel costs, and driver shortages.

The Enhanced Partnership Plan

19. The Plan (Appendix A) is a formal legal agreement between the Local Transport Authority - the County Council - and local bus operators, to work together to improve local bus services. It will provide the formal framework and governance for the Enhanced Partnership.
20. The Plan sets out that the Partnership will be led by an 'Enhanced Partnership Board' formed of officer representatives of the Council, the bus operators and district councils within Leicestershire (the latter not being voting members of the Partnership).
21. The Enhanced Partnership will also include opportunity, through a broad 'Enhanced Partnership Forum', for a wide range of other stakeholders to provide input and suggestions on how the BSIP should best be implemented. These include:
 - a) a Leicestershire bus user group (to be formed);
 - b) community transport operators in Leicestershire;
 - c) neighbouring local transport authorities;
 - d) train operating companies serving stations in Leicestershire;
 - e) East Midlands Airport;
 - f) the Leicester and Leicestershire Enterprise Partnership; and
 - g) other organisations that have an interest in Leicestershire's bus services.
22. The overall aim of the Plan is for Leicestershire's Enhanced Partnership to work together to deliver the BSIP, to the extent that is feasible with available funding. It is anticipated that it will also provide a more formal basis for parties to work together to seek to deal with issues arising from wider pressures on the bus market.

The Enhanced Partnership Scheme

23. The Scheme (Appendix B) fulfils the statutory requirements set out in the Transport Act 2000 as amended by the Bus Services Act 2017 when the Authority wishes to exercise its power to make an Enhanced Partnership Plan and one or more Enhanced Partnership Schemes. It sets out:
- a) The geographic area covered by the scheme;
 - b) When the scheme is to commence;
 - c) In detail the overall interventions to be made by the Authority under the Scheme – these comprise facilities and measures;
 - d) Requirements in the form of Standards of Services imposed on Local Qualifying Bus Services; and
 - e) Arrangements for the review and possible variation of the Scheme and its operation.
24. The Scheme is dependent upon an Enhanced Partnership Plan being in place. Initially the Scheme will be a simple relatively low-cost first step, as funding from the Government to deliver the BSIP is not yet known. The first scheme can, in due course, be extended in scope and ambition, and additional schemes can be introduced in line with the BSIP, once the Enhanced Partnership is in formal operation and funding availability becomes clear. The Scheme involves:
- a) A countywide requirement for bus operators to only introduce service changes on specific agreed dates (there will be exemptions to this requirement for some services that come into the County from other local authority areas). This will help make the Leicestershire bus network simpler to understand.
 - b) The County Council carrying out an audit of bus stops on the B4114 corridor (a section of Narborough Road South) to the south-west of Leicester and providing improved facilities within that corridor. Operators of bus services on this corridor will be required to use only vehicles that meet, as a minimum, the Euro VI emissions standard by 1 April 2024.

Consultation on the Plan and the Scheme

25. Engagement with stakeholders is an important part of the process for developing a new approach to the delivery of bus services. It helps to ensure that the Authority takes account of customer and user expectations and delivers the most appropriate service levels, consistent with the budget available.
26. Consultation exercises relating to passenger transport provision have previously taken place and the outcomes were reported to the Cabinet, including in respect of the Authority's PTPS (consultations in 2018) and BSIP (consultations in 2021). These previous exercises have also helped to inform

the development of the Plan and the Scheme as well as the specific exercises referenced below.

Statutory consultation with bus operators

27. There is a statutory requirement for the Authority to undertake this consultation exercise with bus operators.
28. Bus operators received notice of the Plan and the Scheme in November 2021, providing them with a 28-day period for objection. Any objections from bus operators would need to be resolved before the Enhanced Partnership could be formalised.
29. No objections were received from bus operators, enabling the Council to proceed with consultation with statutory consultees and the public.

Statutory and Public consultation

30. Further to the statutory consultation with bus operators, the Council undertook a four-week consultation on the Plan and the Scheme, which ran from 10 January to 6 February 2022.
31. This exercise included the same consultees as the June/July 2021 engagement, along with statutory consultees such as bus operators, other Local Authorities affected by the proposals, the Traffic Commissioner, Police, Transport Focus, the Competition and Markets Authority and local Members of Parliament.
32. The consultation took the form of an online 'you said, we did' exercise, taking consultees through how they had helped to inform the Leicestershire BSIP and the development of 'The Plan' and 'The Scheme', and providing them with an opportunity to comment.
33. The consultation was promoted through the Council's website and through social media.
34. Comments were received from 17 different respondents of which three were members of the public, two were County Council employees, 10 were from other local authorities (including district councils, parish councils and neighbouring authorities), and two were from other organisations (Transport Focus and National Forest Trust). Six of the respondents were non-statutory consultees and 11 were statutory consultees.
35. Only a small number of comments or concerns were received that were specifically about the Plan and the Scheme (the remaining observations are included in paragraph 39).
36. There were two specific comments citing the Transport Act 2000, questioning:

- a) how the Enhanced Partnership Forum meets the statutory requirement to consult users on how well the partnership is working; and
 - b) how a less onerous bespoke mechanism to vary a scheme could be used as an alternative to making additional schemes which would require consultation.
37. For the first point, it is considered that sections 8.2 to 8.4 of the Plan (which include reference to a Leicestershire bus user group being part of the Enhanced Partnership Forum, and to the Forum reviewing delivery progress at least annually) adequately address the requirement of the Transport Act. With respect to the second point, where a new proposed intervention can clearly be seen as a variation on the Scheme, the bespoke variation mechanism will be used; where it is clearly a new/additional scheme, the bespoke variation mechanism will not be used. Where necessary, expert legal advice will be sought to determine which is the appropriate route to take.
38. One respondent considered that district councils should have voting rights on the Enhanced Partnership Board. However, whilst the district councils would be non-voting members, they would still play an integral part in helping to inform future plans and decisions of the Partnership.
39. Other key general themes emerging from the consultation were around accessibility, frequency and reliability, information provision, affordability, and greener vehicles. Whilst not specifically relevant to the Enhanced Partnership itself, such viewpoints do mirror the objectives of the BSIP, which has provided further reassurance that the BSIP is striking the right priorities for people.
40. All comments received during the consultation have been included in Appendix C. Overall, no changes were required to the Plan and the Scheme as a result of the consultation and these can now be formalised, and the Enhanced Partnership can be 'made' in line with the Government's requirements.

Further consultation

41. Going forward, variations to the Scheme(s) delivered through the Enhanced Partnership and under the BSIP may, as appropriate, be subject to separate engagement and consultation exercises.

Passenger Transport Policy and Strategy

42. The BSIP sets out that the PTPS will be reviewed in full, once the BSIP and Enhanced Partnership have been developed, to ensure that full alignment is achieved.
43. In the meantime, officers will continue to use the adopted PTPS, where appropriate, when considering whether the Authority should provide funding to support local bus services, where they are no longer able to operate on a commercial basis.

Equality and Human Rights Implications

44. The Equality Act 2010 requires the Authority to have due regard to the need to eliminate discrimination and to promote equality of opportunity between different protected groups.
45. An Equality and Human Rights Impact Assessment (EHRIA) screening has been undertaken. The impact of the BSIP and the Plan and the Scheme is considered to be positive/neutral, and therefore a full EHRIA is not required.

Environmental Implications

46. Delivery of improved bus services should help to deliver mode shift away from the private car and would therefore be expected to deliver air quality and carbon reduction benefits.

Legal Implications

47. External legal advice was obtained to ensure that the Enhanced Partnership Plan and the Enhanced Partnership Scheme accords with statutory requirements of the Bus Services Act 2017.

Background Papers

Report to the Cabinet on 16 October 2018, 'Draft Passenger Transport Policy and Strategy'

<http://politics.leics.gov.uk/ieListDocuments.aspx?CId=135&MId=5184&Ver=4>

Report to the Cabinet on 20 November 2020, 'Leicester and Leicestershire Strategic Transport Priorities':

<http://politics.leics.gov.uk/ieListDocuments.aspx?CId=135&MId=5999&Ver=4>

Report to the Cabinet on 22 June 2021, 'National Bus Strategy'

<http://politics.leics.gov.uk/ieListDocuments.aspx?CId=135&MId=6444&Ver=4>

Report to the Cabinet on 26 October 2021, 'National Bus Strategy'

<http://politics.leics.gov.uk/ieListDocuments.aspx?CId=135&MId=6447&Ver=4%20>

Leicestershire Bus Service Improvement Plan

<https://www.leicestershire.gov.uk/roads-and-travel/buses-and-public-transport/bus-service-improvement-plan-bsip>

Appendices

- Appendix A: Draft Enhanced Partnership Plan
- Appendix B: Draft Enhanced Partnership Scheme
- Appendix C: Summary of consultation feedback