



Coventry City Council

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To all Members of the Scrutiny Co-ordination Committee

18th February 2020

Our ref: C/EMK

Dear Member,

Supplementary Agenda – Meeting of the Scrutiny Co-ordination Committee - Wednesday, 19th February, 2020

The papers for the above meeting were circulated on 11th February. At the time of publication, there were a number of documents which were not available. These documents have now been received and are attached to this letter. Please include them with your papers for the meeting.

- **Agenda Item 4. BUS INNOVATION IN COVENTRY (Pages 3 - 56)**

Briefing Note of the Scrutiny Co-ordinator

Councillors J O'Boyle and D Welsh, Cabinet Member and Deputy Cabinet Member for Jobs and Regeneration and Councillors Hetherton and Lloyd, Cabinet Member and Deputy Cabinet Member for City Services have been invited to the meeting for the consideration of this item along with Councillor P Akhtar, who, along with Councillor Welsh, are the Council's representatives on the West Midlands Combined Authority Transport Delivery Committee.

Representatives from National Express and Transport for West Midlands have also been invited to attend

If you have any queries, please do not hesitate to contact me.

Yours sincerely

Liz Knight
Governance Services Officer



Membership: Councillors N Akhtar, A Andrews, R Brown (Chair), J Clifford, L Kelly (Deputy Chair), J McNicholas, G Ridley, K Sandhu and R Singh

By invitation: Councillors P Akhtar, P Hetheron, G Lloyd, J O'Boyle and D Welsh



Briefing note

To: Scrutiny Co-ordination Committee

Date: 19th February 2020

Subject: Bus Provision in Coventry

1 Purpose of the Note

1.1 This note has been produced following a meeting of the Scrutiny Co-ordination Committee on 5th February 2020. It builds on information previously provided to the Committee and deals with actions arising from the 5th February 2020 meeting. Specifically, the note focuses on the following areas:

- Framework of options under the Bus Services Act 2017;
- National bus funding and opportunities, including Infrastructure solutions to improve bus service reliability and reduce journey times for passengers
- Breakdown of elements of the levy for the West Midlands Combined Authority (WMCA) and how this translates to specific costs for Coventry;
- Statistics for the recently introduced platinum bus service (12 / 12X)
- UK City of Culture 2021 Bus Provision and strategy for moving people; and
- Climate change and Electric City

2 Recommendations

2.1 Scrutiny Co-ordination Committee are recommended to:

- 1) Consider the information discussed and agreed at their meeting on the 5th February 2020
- 2) Consider the information presented at the meeting on the 19th February 2020
- 3) Identify any recommendations for the appropriate Cabinet Member or appointed representatives on partner organisations

3 Legislation and the Bus Services Act 2017

3.1 In 1985 the Government deregulated the bus market across the United Kingdom (apart from London and Northern Ireland) and created a market where bus companies were free to determine their own routes, fares and service frequencies. In Coventry and the West Midlands this meant that all bus operators became commercial entities and would operate for profit as any other business would. Within Coventry bus shelters and bus stations were managed and operated through the transport authority which, at the time, was the Passenger Transport Executive (PTE), and all bus services were operated by

private bus companies. Where services were not provided commercially by bus companies, the transport authority was able to step in and provide services with subsidy from the transport levy where a social or economic need for such services was identified. This continues today.

- 3.2 Subsequent Transport Acts recognised that the complete deregulation of services had created a rather disjointed approach to providing what many saw as a public service. In the Transport Act 2000 transport authorities / local authorities were granted powers to develop partnerships and provide passenger information. It was through this Act that Centro started to recharge bus operators for providing passenger information and for providing the bus stops and associated facilities at 12,200 locations across the region.
- 3.3 Subsequently the 2008 Local Transport Act provided local authorities with greater powers to bring bus operators together in multilateral partnerships known as Voluntary Multilateral Partnerships (VMAs). The West Midlands was the first area to utilise this legislation and developed a multi-operator partnership across Coventry back in 2012 to support the Olympics and the development of an integrated network of bus services across the city.
- 3.4 The legislation also contained provision to franchise bus services in the event that an authority felt that they were not being provided adequately by private operators. The franchise approach enables authorities to specify the bus services that will operate within their area, and the minimum service standards in terms of vehicles, fares and quality that bus companies operating the franchised services will be expected to adhere to. This is similar to the system that operates within London. To date, outside London, only Cornwall Council has been successful in introducing a franchise system. Of other Metropolitan areas, NEXUS, the then Passenger Transport Executive for Tyne and Wear local authorities, pursued this legislation which was heavily contested in the courts by the commercial bus operators. This resulted in a failed bid to franchise the bus services and acknowledgement by the Government that the legislation as it was written was onerous and not fit for purpose.
- 3.5 In 2017 further legislation was introduced providing a new suite of powers to enable stronger, more binding, partnerships known as Enhanced Partnerships, to be introduced, franchising powers with automatic entitlement to Mayoral Combined Authorities, and new powers to introduce ticketing schemes and improved data provision from bus operators. A fuller note explaining the Act and its powers is appended to this report (Appendix A).
- 3.6 In 2018 TfWM was asked by the 7 leaders to undertake an assessment of the powers within the Act. Following this assessment, a Strategic Outline Business Case was completed by May 2019 which concluded that in the West Midlands Combined Authority (WMCA) area there was a case for consideration of exercising greater intervention in the bus market. Part of this case was based on the failures within the market such as the decreasing level of competition and the significant decline in the number of bus companies operating within the West Midlands, and part of the case recognised that it may require greater interventions to deliver on the WMCA endorsed Vision for Bus.
- 3.7 In June 2019 the WMCA Board approved moving to an Outline Business Case (OBC) to consider in greater detail the powers and options contained within the Act. This detailed assessment is underway and will be completed in April 2021. The three options under consideration are;
 - Do minimum (Bus Alliance) as current

- Further deregulated powers (Enhanced Partnerships)
- Regulated powers (Franchising)

3.8 Whilst the work is undertaken there will be opportunities to input to the process from Coventry, as with other authorities. This will be in the form of discussions and interviews by the appointed independent consultant, as well as briefings through the Cabinet Member for Transport, alongside other Cabinet Members, on a quarterly basis from April 2020.

4 Vision for Bus

4.1 The Vision for Bus was approved by the WMCA in November 2018 and is the agreed Vision for the region to set out what it wants to see from its bus services. The Vision is appended to this report (Appendix B).

5 West Midlands Bus Alliance

5.1 The Bus Alliance is a partnership that came into being in 2015 with the aim of delivering improvements across the bus network throughout Coventry and the wider West Midlands. The Alliance is held up at a national level as a leading example of what can be achieved through public and private partnership.

5.2 The Alliance is independently chaired by Transport Focus with representatives from local authorities, the WMCA's Transport Delivery Committee, and Birmingham City Council's Cabinet Member for Transport. It also includes the following organisations:

- Confederation for Passenger Transport (CPT)
- Local Bus company representatives – currently National Express West Midlands, Diamond Bus and Claribels
- West Midlands Police / British Transport Police (Safer Travel)
- Department for Transport
- Transport for West Midlands

5.3 As the Alliance is approaching its 5-year review in April 2020, below is a summary of its objectives and achievements to date;

Objective		We Did (31 December 2019)	Red, Amber, Green Rating
Outputs	Zero or ultra-low emissions with every other bus at least Euro VI.	62 per cent of the bus fleet is Euro VI through a combination of new buses and bus retrofit. Commitment to get all buses at least Euro VI by April 2021	
	More intuitively understandable core turn-up-and-go routes.	29 Platinum routes which provide passengers with an enhanced user experience and 2 partnership routes with branded 'West Midlands Bus' livery offering a turn up and go service.	

	Fare rises of no more the RPI +1% per annum.	The overall fares basket has met this. Examples for National Express shown are within RPI per annum increases: 2015 Adult NX Daysaver £4.20 2020 Adult NX Daysaver £4.60 2015 Adult 1-week Travelcard £16.50 2020 Adult 1-week Travelcard £17.50 2015 Child Daysaver £2.90 2020 Child Daysaver £2.30	
	Discounted young person's travel for everyone under 19 years old.	Child Concessionary Fares Scheme Discounted travel to all 17-18 year olds including apprentices	
	Integrated ticketless travel in line with intelligent mobility policy.	cEMV contactless payment solutions are now available on Diamond Buses, West Midlands Metro and National Express services. A single capped solution is not available across all operators, but account-based ticketing and best value capped is being developed.	
	Network Development Plans to support the economic objectives of the next decade.	75% of the region have Network Development Plans in place, with 2 areas to be developed.	
	Increased investment in highways infrastructure to aid journey times and reliability.	£25m invested across the Combined Authority area, with a further £30m secured in principle for further investment in bus priority and highways infrastructure.	
	Improvement on board through improved seating, next stop announcements and Wi-Fi.	293 new vehicles with improved seating, next stop announcements and Wi-Fi, along with a further 115 new buses	
Outcomes	Customer satisfaction levels remain over 85%.	2015 – 85% 2019 – 84% Up in all sub areas of satisfaction.	
	Improvement in peak time journey speeds.	2015 – 19.4 km/h 2019 – 17.4 km/h (-10 per cent) Improvements on routes with bus priority implemented (i.e. Harborne Road)	
	Increase bus patronage by 5%	-3 per cent (275.9m / 267.1m), but an increase in the last 2 years	
Impacts	The financial benefits of increased patronage contribute towards infrastructure and buses.	Over £85 million invested by operators in new buses since the Alliance launched.	

6 Funding Streams & The Future

- 6.1 The Government has recently announced several additional funds for buses and has also given the go ahead for a new £28m cross Birmingham bus scheme between Dudley, Smethwick, Birmingham, Kings Heath and Druids Heath. This has been granted because Birmingham has worked in partnership with TfWM and bus operators to develop a series of shovel ready bus schemes across the region. The Black Country authorities are also currently developing a similar programme and Solihull has introduced some significant bus priority, which has resulted in recognised improvements in the reliability and punctuality of services.
- 6.2 In addition, the Department for Transport (DfT) has announced plans to overhaul bus and cycle links for every region outside London, with £5 billion of new funding over 5 years, which is anticipated to be around two thirds bus and one third cycle related. Discussions with Government suggest that much of this is going to be predicated on the introduction of bus priority measures that promote the bus above other modes of traffic.
- 6.3 This announcement is in addition to the £50 million recently unveiled for All-Electric Bus Town / City opportunities, the further £70 million set aside for new, transformational, 'Superbus' networks, and the £30m additional subsidised bus top-up.
- 6.4 Coventry has already secured funding through the Government's Ultra-Low Emission Bus (ULEB) scheme to begin the process of electrifying the city's bus fleet. Supported by the ULEB funding, National Express is procuring 10 electric buses and installing the necessary charging infrastructure at their Coventry depot. The process of bidding for Electric bus town / city and Superbus is through TfWM and will see one bid from across the region, so an assessment criteria is being developed. More details on these funding opportunities are summarised below.

7 All-Electric Bus Town / City Fund

- 7.1 The newly announced All-Electric Bus Town/City fund provides a potential opportunity to accelerate the process of electrification.
- 7.2 There will be a two-stage competition for the available funding. Initially all interested towns and cities will submit an expression of interest by 30 April 2020. The DfT will then produce a shortlist of applicants, who will be asked to submit a more detailed outline business case later in the year.
- 7.3 Any expression of interest from Coventry City Council would need to be submitted via the West Midlands Combined Authority (WMCA), and would need to be supported both by every bus operator currently providing services in the city, and by neighbouring authorities where existing services cross local authority boundaries.

8 'Superbus' Networks

- 8.1 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.
- 8.2 The Government is 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.

- 8.3 Similar partnerships have already been established in the West Midlands, notably the West Midlands Bus Alliance as well as the three Advanced Quality Partnership Schemes, and the developing Enhanced Partnership.

9 Subsidised bus top-up

- 9.1 To improve current bus services, or restore lost services where needed, the Government will pay an extra £30m to local authorities in 2020/21.
- 9.2 It is not yet clear how this £30m will be apportioned and if TfWM, and therefore Coventry, will receive any of it. The fact that this was fixed in 2014 means that TfWM now funds more of the Bus Service Operators Grant (BSOG) towards tendered bus services than it receives. Confirmation that this funding stream will continue is welcome as there had previously been no guarantee beyond 2020/2021.
- 9.3 A wider review on commercial BSOG paid directly to operators is understood to be part of the review. It is anticipated this will address the current anomaly where electric buses do not qualify for BSOG, yet have a higher life-cycle cost than a diesel bus.

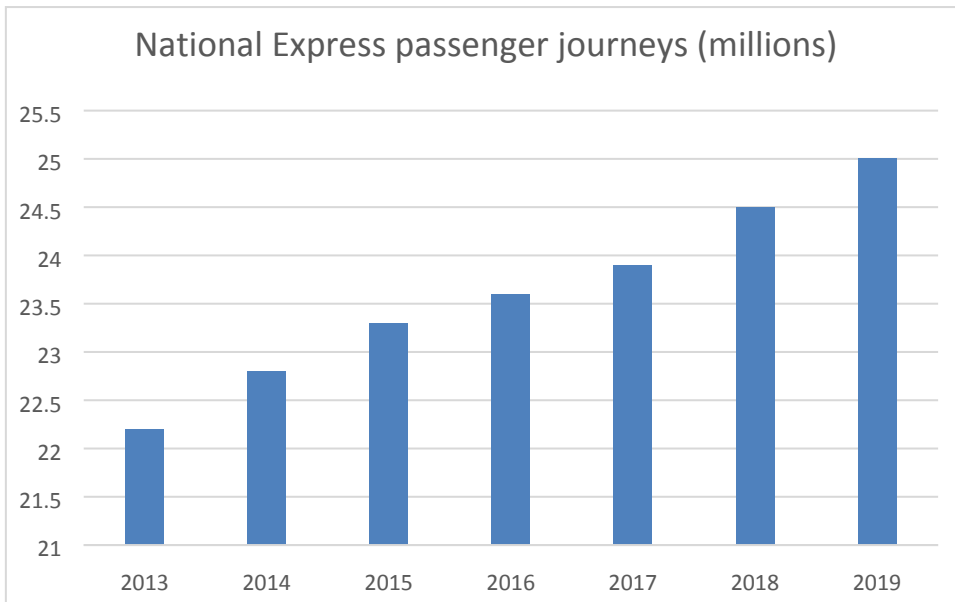
10 Innovative Future

- 10.1 Whilst the city is proud of its track record to date, and is particularly excited by innovative projects such as Very Light Rail, it also recognises that the bus will continue to be an important element of the transport network, providing flexible access to parts of the city that would otherwise be difficult to serve by public transport.
- 10.2 Building on the work already in hand to electrify the city's transport network, and invest in the bus infrastructure, Coventry provides a golden opportunity to showcase a fully electrified public transport network covering bus, taxi and, in future, Very Light Rail.

11 Bus services in Coventry

11.1 Patronage

- 11.2 Overall bus usage within Coventry stands at around 28 million passenger journeys a year, which has remained fairly constant over the last few years.
- 11.3 Commercial sensitivities present challenges in breaking this down to an operator level, however National Express (NE), who provide over 90% of bus mileage, has provided a more detailed breakdown of how their patronage levels has changed in recent years in Coventry:



11.4 This represents an increase of around 10% over the past seven years, which is in contrast to the national position where bus passenger numbers are in decline. There is some evidence that the introduction of 'platinum' services on individual routes has driven this increase in passenger numbers:

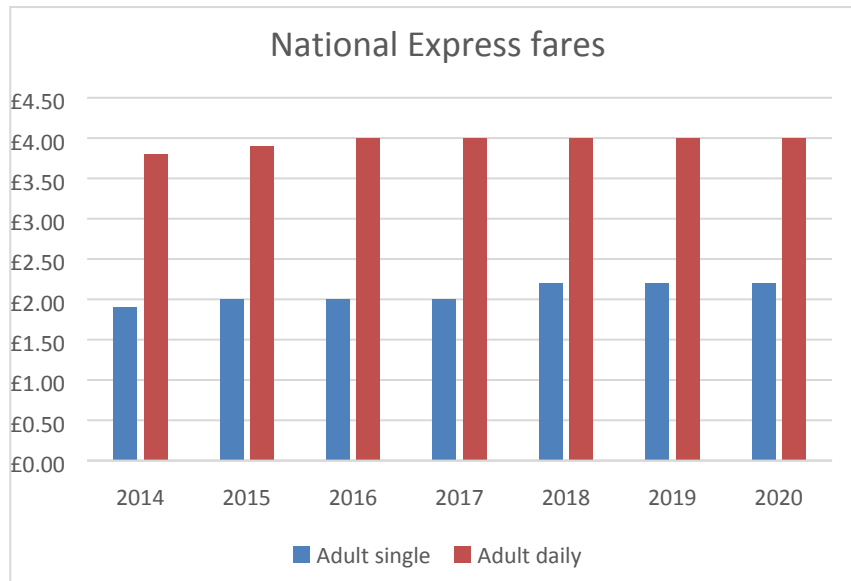
- There has been a 9.3% increase in passenger numbers on the X1 route (Coventry to Birmingham) in the two years since this was introduced
- There has been a 5.4% increase on the 12X/11X route (serving the University of Warwick), which is still in its first year of operation as a Platinum service.

11.5 This rise in patronage is, however, not reflected across all other operators in Coventry, who have seen a collective decline in passenger journeys of approximately 1.2 million between 2014 and 2019.

11.6 Coventry Pool Meadow Bus station currently accommodates nearly 5 million passenger movements per annum and 400,000 bus departures. This actually makes it one of the highest bus departure locations in the region, reflecting its importance as a bus interchange.

11.7 **Fares**

11.8 In terms of fares there has been a slight increase in adult single tickets since 2014, however this has remained unchanged for the since 2017. The adult daily tickets has remained fairly constant since 2016.



11.9 Service reliability in Coventry and the West Midlands

11.10 Overall bus punctuality (the percentage of services operating no more than 1 minute early and 5 minutes late) in Coventry was 82% in 2017/18 and 80% in 2018/19, which is slightly above the West Midlands average of 77% across both 2017/18 and 2018/19. Nationally 83% (2017 / 2018) of bus journeys operated on time and 83.1% in 2018 / 2019.

11.11 However, NE report that the punctuality of their services has worsened over the past 12 months. These delays relate to congestion, particularly during peak times and mainly at pinch points on the network.

11.12 The table below provides some specific examples, comparing three weeks in November 2018 with the same three weeks in November 2019. Times quoted are for 90% of buses to complete the identified section of route.

Service	Section	Time Period	Nov 2018	Nov 2019	Change	% Change
10	Dane Road – Gosford Green	Morning Peak	14m49s	16m20s	1m31s	+10.0%
8	Potters Green Road – Arch Road	Morning Peak	13m47s	14m59s	1m12s	+8.6%
21	St James Lane – Abbey Road	Morning Peak	8m15s	9m27s	1m12s	+14.4%
21	Wood End – Willenhall	Morning Peak	51m25s	56m29s	5m04s	+9.9%
6 et al	IKEA – Farman Road	Shopping (1000-1400)	7m0s	7m23s	0m23s	+5.4%
8/8A	Alderminster Road – Glendower Ave	Shopping (1000-1400)	9m4s	10m44s	1m40s	+18.4%

20	Oban Road – Leicester Row	Evening Peak	20m40s	23m20s	2m40s	+12.8%
21	Wood End – Willenhall	Shopping (1000-1400)	64m30s	67m33s	3m03s	+4.7%

11.13 Although some of the individual increases may appear relatively small, these do accumulate. Of those routes that were unchanged by the September network changes, all have suffered from worsening punctuality because of traffic delay, congestion and junction issues.

11.14 For example:

- The 8/8A route has been affected by worsening delays at Walsgrave, Ball Hill, Spon End and Broad Lane
- In the morning peak, the end-to-end journey on route 21 is now taking 5 minutes longer, a slow down of 10%. This effectively means that of the two additional buses added to this route in September, only one is benefiting passengers because the other is a wasted resource stuck in traffic delays
- On route 13 an extra 6.5% of all buses in the evening peak were late this year compared to last year. There were no changes made to this route or timetable
- On route 20 another 2% of buses ran late, again with no changes to the route or timetable

11.15 **Bus priority measures and urban design**

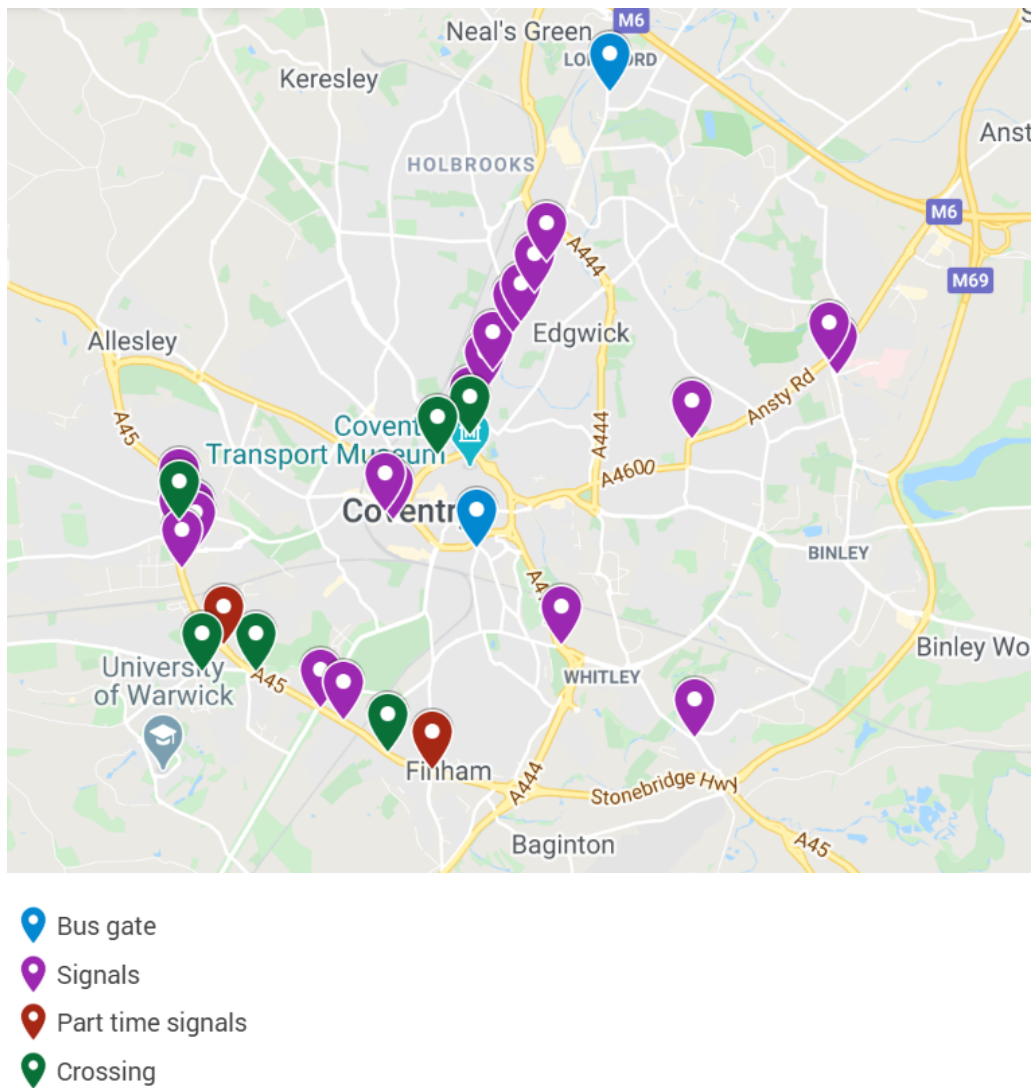
11.16 Government funding is becoming increasingly predicated on bus priority, whether involving bus gates, bus lanes, signal optimisation or any other measures that promote bus and sustainable access.

11.17 A good design that promotes public transport provision and reduces the reliance on the private car is key to the backdrop of sustainable travel in Coventry. Whilst this may be far easier to undertake in new developments that are earmarked for Coventry North and South, there are opportunities to enhance the existing network with bus priority and enforcement measures.

11.18 On the current network bus priority is provided, at the locations where the buses benefit most, in the form of bus gates, which are rigorously enforced through the use of enforcement cameras.

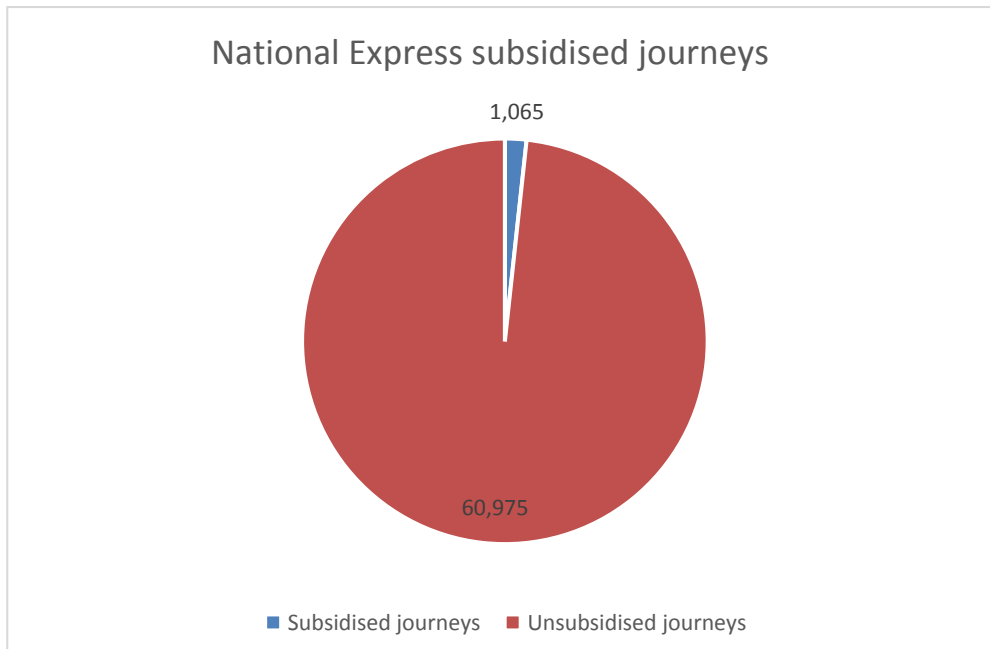
11.19 The Council's Urban Traffic Management and Control (UTMC) system also provides the capability to support the reliability of bus services through measures such as extending green time to ensure approaching buses pass through the junction, and by ensuring that the impact of traffic congestion upon key bus routes is minimised through careful adjustments to signal timing

11.20 A map showing the locations of these existing measures is provided below:

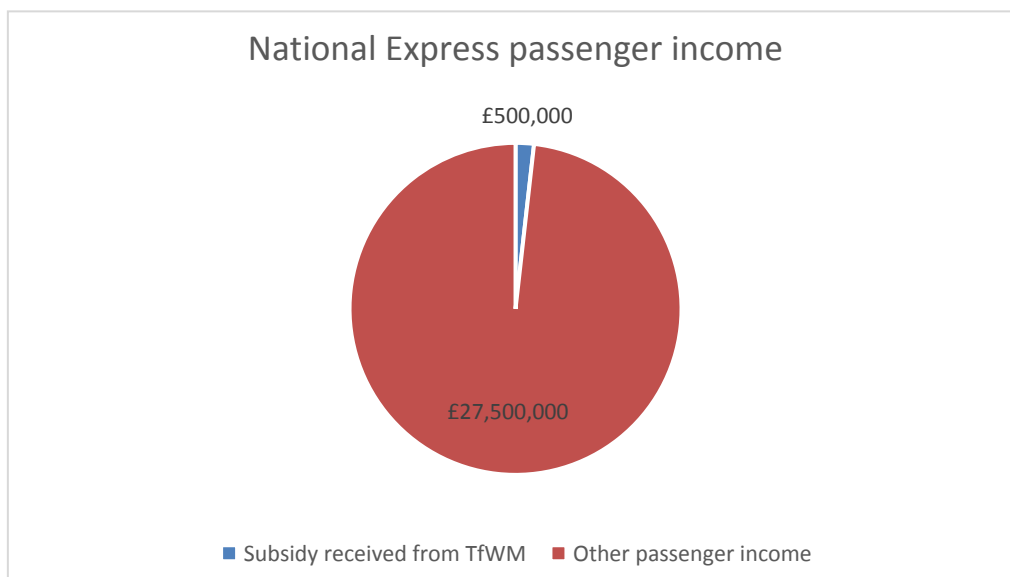


11.21 Subsidised services in Coventry

11.22 The vast majority of bus services in Coventry are provided on a commercial basis. Data provided by NE reveals that, out of a total of 60,975 passenger journeys per week, only 1,065 (1.7%) of these are on subsidised services.



11.23 In terms of revenue, NE reports receiving £500,000 p/a in subsidy for Coventry services from TfWM, against a total income from passenger fares of £27.5 million (1.8%).



11.24 Whilst the network is operated across the West Midlands and subsidy levels are paid to operators at the regional scale, TfWM has, however, undertaken some further analysis and estimated that the level of subsidy for Coventry is £1.02 million. This is 11.1% of the total subsidised bus budget for the West Midlands. This is because other operators have a higher overall percentage of tendered bus services than National Express.

11.25 In terms of concessionary journeys, TfWM funded 53 million concessionary journeys across the entire West Midlands Network in 2018/19 at a cost of nearly £55 million. As reimbursement arrangements are undertaken by the organisation as a whole, rather than by geographic area, it has not been possible to disaggregate the proportion of these figures that relate to Coventry or any other specific area of the West Midlands.

12 Improving Bus Services

12.1 One of the objectives of the West Midlands Vision for Bus is to establish accountable network performance management, thereby tackling issues causing congestion and reliability problems for bus passengers.

12.2 In order to address this, the West Midlands Bus Alliance has established the region wide Network Performance Board. The Board focuses on monitoring the performance of the bus network from a passenger perspective and the delivery of improvements to performance with the aim of maintaining and improving bus journey times, reliability and punctuality to grow patronage and passenger satisfaction.

12.3 The board is made up of representatives from TfWM, each of the seven constituent authorities, including the City of Coventry, as well as bus operators.

12.4 A particular focus can be given to issues affecting bus performance in Coventry with a view to identifying any measures for improvement, including additional bus priority, parking issues, removing right turns etc. as well as any issues in the control of the operators. Given the recent Government announcements it is proposed that a dedicated Bus Performance Board for Coventry is established with the objective of improving the performance of bus services across the city and also developing a series of shovel ready bus schemes for Coventry if that is supported by the members.

13 Climate Emergency

13.1 Improved bus services will reduce the reliance on the private car, and by doing so will have environmental benefits promoting sustainable travel and a modal shift away from private car. It is envisaged that this, in turn, will provide support to the objectives set out in the Council's Low Carbon Management Plan and the emerging Local Air Quality Action Plan.

14 UK City of Culture 2021

14.1 The Coventry UK City of Culture 2021 is forecast to generate around 2.5 million visits to the city, and will see a significant increase in travel demand to and from the city, especially around the major events expected to attract larger audiences. A transport strategy is under development in partnership with the City of Culture Trust, and it is anticipated that the bus will play an important role in getting people to and from events within the city.

14.2 Bus based Park and Ride is being considered as part of the transport strategy alongside potential enhancement of existing public bus services and the role that longer-distance coach travel could also play in getting people to and from the city.

14.3 Investment in the improvement of Pool Meadow Bus Station, within a budget of £1.5m, has already been identified by TfWM and Coventry City Council as an important element of the UK City of Culture Transport Strategy. Proposals which are all being developed from the WMCA investment include the refurbishment of the bus station, including:

- Complete refurbishment of the public toilet facilities and driver facilities. This would follow a specification similar to that of recent successful refurbishments of Walsall and West Bromwich toilet facilities.
- New Electronic Passenger Information Screens – Currently stand and small summary screens are at end of life and when they break down TfWM’s maintenance contractor cannot readily source parts. This means that some stands do not have properly functioning screens, leaving passengers without accurate information. New screens would also be more efficient and allow for service change messages to be displayed more clearly and easily.
- LED lighting refit – Replacement of old lighting units for more efficient units that provide a better quality of light. Lighting quality can have a transformative effect on sites, as recently experienced at the LED replacement at Bilston Bus Station. Not only will this create a more pleasant environment, it will lead to increased utility efficiency and will have a Return on Investment within 5 years.
- New wayfinding signage – New signage in accordance with the West Midlands Bus rebranding exercise, potentially incorporating City of Culture branding too. Due to the age of the station, this area does need updating to include prominent areas of the city.
- Painting – The painting of all metal work, fixtures and fittings in line with the latest branding or to align with the creative concept defined.
- Bins, seats and benches – the replacement of all bins, seats and benches in line with the latest branding and rollout across the rest of the Bus Station estate.
- Enhancement of the external presentation of retail units

John Seddon
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Purpose

This briefing will provide an impartial overview of the Bus Services Act 2017. It will explore the existing policies in the West Midlands, including the Vision for Bus and Vision for Bus Delivery Plan, and will look in detail at the powers available through the Bus Services Act 2017 for shaping and influencing the region's bus network. The briefing will look at the four different options (Advanced Ticketing schemes, Advanced Quality Partnership Schemes, Enhanced Partnership and Franchising) and will provide an overview of:

- What is it;
- Why would you implement it, and what could it offer the Coventry and the wider West Midlands;
- What would be the process for developing and implementing it;
- What are the opportunities and risks of implementing it; and
- How much would it cost to implement.

Introduction

Coventry and the West Midlands have strong growth ambitions to improve productivity and the quality of life for everyone who lives and works in the region. 2021 Coventry City of Culture, the 2022 Birmingham Commonwealth Games, and the now approved HS2 scheme will be once in a lifetime opportunities to transform the region and drive investment.

The West Midlands Combined Authority's (WMCA) Strategic Economic Plan (SEP) sets the overarching vision for the region; by 2030, the SEP plans for:

- 500,000 new jobs;
- 20,000 more businesses;
- 16,000 additional hectares of employment land; and
- 215,000 additional homes.

The SEP recognises that an efficient and resilient transport system will underpin future economic success, by connecting communities to

opportunities, and by connecting businesses to markets. Transport is fundamental to economic development and growth to enable Coventry and the wider region to thrive, and deliver on the WMCA's Local Industrial Strategy, Housing Deal and Public Service Reform.

Congestion on the region's roads remains a challenge to these ambitions however; Transport for West Midlands (TfWM) is working closely with Coventry and other local authority partners and investing in developing a world-class integrated transport system that will allow seamless, convenient travel across the region and will reduce the need for private car journeys.

Within the existing West Midlands public transport offering, buses play a fundamental role in supporting travel and accessibility. Whilst the bus network is facing certain challenges, including ongoing declining bus speeds, it remains the most popular and important mode of public transport in the region carrying 80% of all public transport trips. TfWM created the Strategic Vision for Bus in partnership with Coventry and the other 6 metropolitan authorities to acknowledge the importance of the mode in the region and commit to supporting the mode to maximise the positive benefits that it can deliver.

Vision for Bus

Public transport is essential for inclusive growth, and 4 out of 5 public transport journeys in the region are taken by bus. The bus network is facing serious challenges however, with decreasing reliability and accessibility of the bus and negative perceptions acting as a barrier to greater uptake in bus usage.

As a Mayoral Combined Authority, the Mayor, through the WMCA, has new powers that could greatly influence the future of the network, and technological innovations provide the potential to deliver a smarter network with integration between other modes of travel. It was necessary to set a Vision for Bus to set the benchmark for what we want from the bus in Coventry and the wider West Midlands, helping to enable us to assess the

options and opportunities presented to us now and in the future.

The Strategic Vision for Bus was approved and adopted by the WMCA Board on the 9th November 2018, and set out a clear narrative on the importance of bus in the region, the current challenges facing buses, and a number of opportunities that exist that could help them thrive. With an established Vision for Bus, and nine objectives that characterise the vision, it allows decisions to be made on the best options available for achieving it.

The Vision:

“A world-class integrated, reliable, zero emission transport system providing inclusive travel for all across the West Midlands. With excellent customer service and simple payment and ticketing options. Customers will be able to make easy and safe door-to-door journeys, benefitting from new innovative transport solutions that meet the needs of a modern and diverse 21st Century economy, reducing the reliance on private single occupancy car journeys.”

Vision for Bus Delivery Plan

As part of the Vision for Bus, nine objectives were established that together characterise the vision statement above, and clear progress can be made towards each objective through strategic intervention. As committed in the Vision for Bus, a Delivery Plan has been created to show how TfWM are planning on delivering the objectives in Coventry and the West Midlands, and highlighting where further work needs to be directed. The Delivery Plan takes stock of the direct and indirect interventions taking place in the region currently, or in the future, that will contribute to achieving the objectives.

The Bus Services Act 2017

Introduction

The Bus Services Act 2017 was introduced in 2016 in the House of Lords and received Royal Assent in 2017. The aim of the Act is to improve bus services for passengers by providing local authorities, the Secretary of State and bus operators with a new toolkit to enable improvements to be made to bus services in their areas.

The 2017 Act provides a new legislative framework to help bus operators and local authorities to improve local bus services and realise untapped growth potential; the powers have the potential to lead to better journeys and value for taxpayers and passengers.

In particular, the 2017 Act:

- Strengthened arrangements for partnership working between bus operators and local authorities in England, introducing new Advanced Quality and Enhanced Partnership schemes;
- Introduced, in England, bus franchising powers to replace previous Quality Contract Schemes;
- Modernised previous ticketing legislation; and
- Provided the powers necessary for a step change in the information available to passengers through audio and visual on-board information (across Great Britain) and through the provisions of open data on timetable, fares and bus service arrival times (in England).

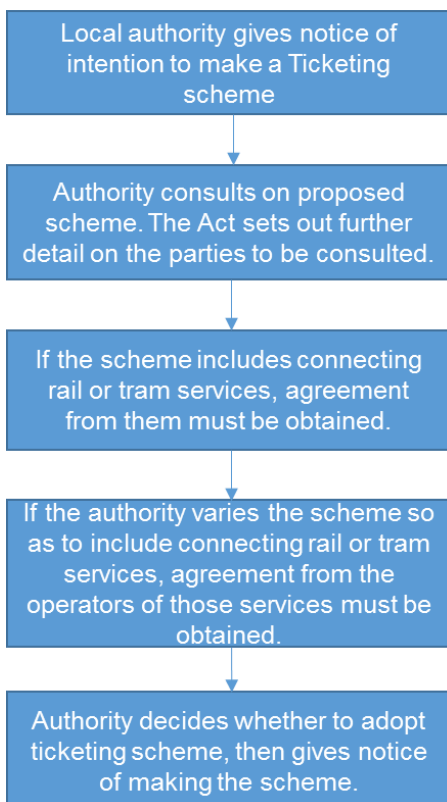
Advanced Ticketing Schemes

New powers allow the establishment of multi-operator and multi-modal ticketing schemes so that local authorities can specify, among other things, the technology to be accepted (e.g. contactless bank cards, mobile technology, smart cards). It also ensures that an authority developing new advanced ticketing arrangements thinks about the need to facilitate journeys to and from other nearby authorities and whether their scheme might

make it easier for nearby authorities to adopt similar arrangements.

The powers do not allow local authorities to set the price of multi-operator or multi-modal tickets which will need to be agreed with the relevant operators.

Process for setting up an Advanced Ticketing Scheme



Current Activity

At present, TfWM provide a multi-operator and multi-modal ticket through the Swift platform, which offers the ability to buy a pass for travel on bus, tram and trains in the region. This was delivered through existing voluntary partnerships.

Advanced Quality Partnership Scheme

An Advanced Quality Partnership Scheme (AQPS) is made by a local authority and commits to take steps to support local bus services in exchange for bus operators being required to meet specific local

standards. These standards usually apply to a specific route or corridor, but it is possible for an AQPS to cover a wide geographical area, such as an entire local authority or city region like Coventry. Any operator who does not meet the required standards is unable to use infrastructure provided by the local authority and specified in the scheme.

Examples of outcomes that could be achieved with an AQPS include:

- Better Journeys
 - Better buses (e.g. Wifi, lower emissions);
 - Minimum service frequency or evenly-spaced timings;
 - Improved passenger information;
 - Route or area branding and/or marketing;
 - Smart cards and contactless payments.
- Better places
 - Better transport connections;
 - Low emission busses.
- Better value
 - Maximum fares for given routes or services.

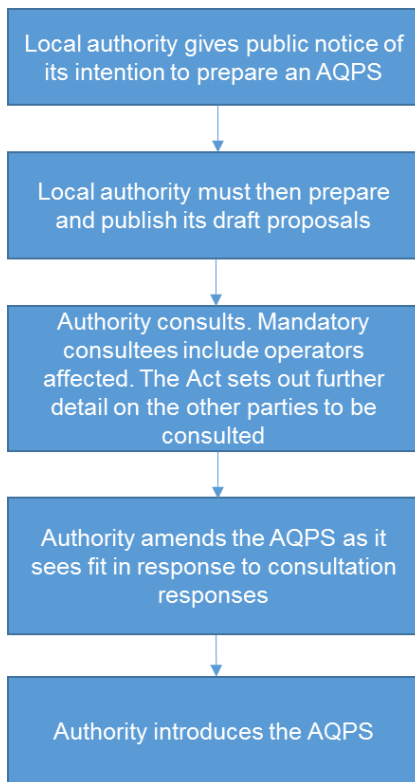
Some of the standards, such as service frequency and maximum fares can only be implemented if there are no outstanding objections from operators who would be affected by the scheme.

The local authority's 'side of the bargain' in an AQPS can involve providing bus-related facilities and/or committing to take measures that directly or indirectly encourage bus patronage, such as:

- Parking policies that encourage the use of public transport;
- Traffic management policies that prioritise buses; and
- Advertising and marketing campaigns to promote the use of local bus services.

Advanced Quality Partnerships were an attempt to upgrade the provisions of the Transport Act 2000 which introduced the Statutory Quality Partnership Scheme, so continue to deliver outcomes that were previously possible before the BSA 2017.

Process for setting up an Advanced Quality Partnership Scheme



Current Activity

There are three AQPS's already in place in the West Midlands:

- Birmingham City Centre;
- Solihull Town Centre; and
- Wolverhampton City Centre.

These agreements have been put in place with a focus on generating significant uplifts in bus operator quality standards, especially exhaust emissions. For the Birmingham City Centre AQPS (the biggest of its kind in the UK), the local authority 'side of the bargain' was a multi-million pound investment in bus shelters, way-finding and bus lane enforcement.

The schemes operate for a period of 10 years from the commencement date, notwithstanding any postponement or variation.

Enhanced Partnerships

Enhanced Partnerships (EP) differ from AQPSs in a few different ways. It is a more formalised agreement between a local authority and local bus operators, and allows for a wider range of measures to be included. By agreement, local authorities within EPs can take on service registration functions from the traffic commissioners, providing greater powers over network provision and better insight into buses operating in the region.

Under an EP, the requirements of the scheme – either area-based requirements, such as smart ticketing scheme, or route-based requirements such as maximum frequency of service on an individual bus route – are included as requirements of registration. This means that if an operator wishes to register a local bus service on a route that is subject to an area or route-based requirement, they must comply with those requirements for as long as the service remains registered or those requirements in the EP exists. Failure to do so can result in enforcement action by the Traffic Commissioner.

The Enhanced Partnership includes a high level vision and objectives for bus services in the local area (known as the EP plan) and accompanying actions to achieve them (set out in one or more EP schemes).

An EP still requires trust and consensus to ensure a successful partnership is achieved, so local bus operators need to be given the opportunity to participate in the development of an EP and have a formal say on the process at several key stages.

Examples of outcomes that could be achieved with an EP include:

- Better journeys
 - Better buses (e.g. Wifi);
 - Service frequency;
 - Route/ area branding;
 - Smart cards and contactless payment.

- Better places
 - Links to employment;
 - Better transport connections;
 - Environmental standards;
 - Better routes in communities (e.g. serving health and education services).
- Better value
 - Multi operator tickets, including price setting;
 - Common ticket rules and fare zones;
 - Uniform discounts for apprentices and other groups.

As with an AQPS, authorities that make EPs can agree to provide either or both facilities or bus improvements which directly or indirectly encourage bus patronage. Whilst an EP scheme does not have to contain local authority commitments, it is unlikely to receive support from a sufficient proportion of local bus operators unless it does so.

EPs could provide local authorities with the ability to deliver much of what could be delivered under a franchise (such as setting standards operators must meet covering vehicle specification, branding, fares, ticketing and frequencies, powers over the price of multi-operator tickets and the ability to specify how passengers are able to pay for tickets, and the opportunity to take over responsibility for bus registrations from the Traffic Commissioner), but with the operators retaining the revenue risk. Operators would still be required through competition law to provide their own tickets and neither TfWM, Coventry City Council nor other local authority would have full control over service delivery or an operators' revenue streams.

Process for setting up an Enhanced Partnership

Before any formal processes are embarked upon, informal conversations should be held between the authority, operators and a wider set of stakeholders to explore how an EP could improve bus services in the area. These informal discussions are beneficial as they generate ideas

on what is likely to be collectively deliverable under the EP.

To enable formal discussions to begin, the local authority is required to give notice of its intention to prepare an EP and invites all the local bus operators to participate in that process before they start to prepare the plan and scheme.

Once the formal processes begin, the development of an EP is still a negotiation between the authority and operators. Whilst under the legislation the authority 'makes' the EP, they cannot do so in isolation without the agreement of a defined number of relevant operators. Flexibility and compromise will be key to achieving agreement between parties. As part of the development of an EP plan and scheme, it is important that the needs of small and medium sized (SMOs) are also considered because they may not be well placed to implement the requirements of an EP quickly, especially if the requirements attract considerable administrative burden or large financial outlay.

Any commitments made by the authority or by bus operators once a formal EP is 'made' are legally binding. An authority that does not fulfil its obligations can face legal action by the bus operators in courts; likewise an operator not meeting service standards could be in breach of its local bus service registration and face action.

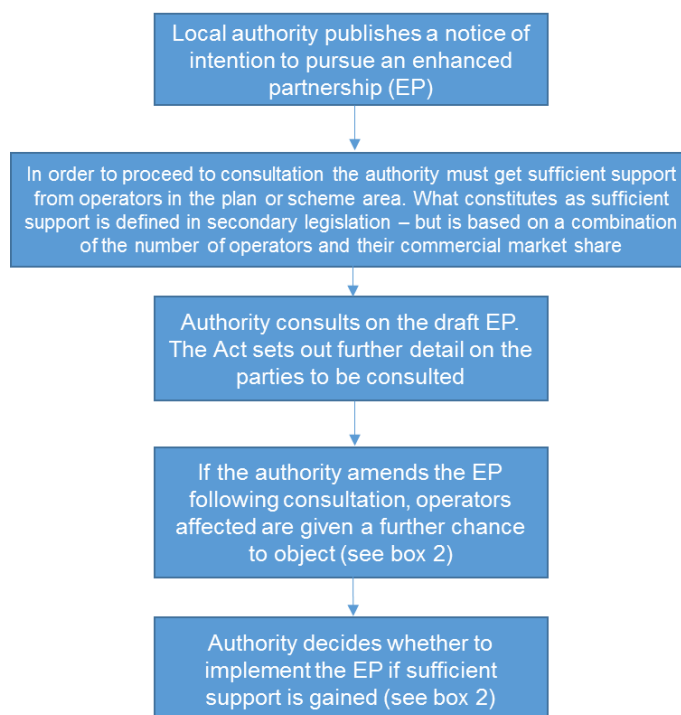
A core legal requirement of making an EP plan is that there must be at least one EP scheme associated with it that is made at the same time. The plan cannot be made or stay in force without at least one associated EP scheme. There is nothing to prevent further schemes being introduced at any time later on, subject to proposals.

When a plan and scheme has been prepared, operators are given the opportunity to view the proposals and raise objections if desired. The authority must assess objections, and if the objections satisfy specific criteria, the local authority cannot proceed to the next step. If

objections do not satisfy specific criteria, or if there are no objections, the local authority can proceed to the next step, a consultation to liaise with wider stakeholders on the plan and scheme.

Once the consultation exercise is complete and the responses have been properly analysed and any changes made, operators once again have the opportunity to object to a modified plan and scheme. There is no need for a further operator objection process if the proposals remain unmodified after consultation.

Once the objection process has been completed and if there are not sufficient objections to prevent the plan and scheme being made, the authority can then make the plan and scheme.



What would we potentially use it for in Coventry and the West Midlands?

In Coventry and the West Midlands, an Enhanced Partnership could be used to deliver a number of improvements that may not be possible under a traditional AQPS.

For example, Sprint is a critical transport scheme being delivered in the wider region with associated financial risk. An operating model needs to be clarified to enable effective delivery of the service, and as part of this, there needs to be contractual certainty around who can use the highway infrastructure being deployed for Sprint, and to minimise competition between Sprint and regular bus services. An Enhanced Partnership could therefore be a mechanism for securing this certainty amongst operators.

An Enhanced Partnership could also be used to implement improved ticketing options that an AQPS or voluntary partnership may not be able to deliver. Examples of this include requiring all bus operators to:

- Set all their tickets and fares on a standard set of ‘zones’ that apply to all operators;
- Follow common ticket rules for their own tickets (such as a standard length of ‘period’ tickets or age to qualify for a youth concession if offered); and
- Charge a set price for a multi-operator ticket.

Choosing the right type of partnership

Whilst much of what can be specified in an AQPS or an EP Scheme can be delivered through a voluntary partnership (such as the Bus Alliance), an AQPS or EP is useful where either party (local authority or operators) is looking to ensure certainty through legal commitments, or where voluntary partnerships are not seen to be working.

Through developing the legislation, it was envisaged that AQPSs and EPs would be used in different scenarios, summarised below.

AQPS most likely to be used where:

- There is broad support from operators for the scheme; and/or
- Operators and the authority feel it would help for both the authority and operators to have a legislative obligation to deliver ‘their side of the bargain’; and

- The geographical area to be covered was comparatively limited; and
- The desired outcomes were relatively modest and could be met through an AQPS.

Enhanced Partnership most likely to be used where:

- It was important the requirements applied to all operators in the area concerned; and
- The majority of bus operators are likely to agree to the scheme, but a minority of operators would oppose some or all of the package; and
- Where the scope of the scheme is likely to be more ambitious than an AQPS – for example: by including a zonal-based multi-operator ticketing scheme that may also set the prices of the ticket; and/or
- Where the local transport authority wishes to take over the registration and enforcement of local bus service registrations from the Traffic Commissioner.

If choosing between a partnership route, it is important to have a clear rationale and assessment to why one partnership route is preferable to the other i.e. why an EP is more suitable than AQPS, or vice versa.

Franchising

Franchising powers are automatically accessible to mayoral combined authorities and provide the greatest opportunity for controlling the bus network, but equally the greatest risk.

It is an established model for providing bus services used in London and in many cities and regions across Europe, and in a franchising scheme, local authorities will determine the details of the services to be provided – where they run, when they run and the standards of the services. Typically bus operators provide their services under contract to the local authority who can let whatever sort of contract they feel is appropriate. No other services can operate in the franchised area without the agreement of the franchising authority.

The franchising authority has considerable scope in determining how services are specified and provided; contracts could be awarded on a route-by-route basis, or one contract for the whole network for example.

Examples of outcomes that could be achieved through franchising include:

- Better journeys, giving Local Government power to decide:
 - What bus services run where and when;
 - The types of ticket available including discounts for apprentices or other passengers as required;
 - What types of payment must be accepted including smart and contactless; and
 - What information is available to passengers.
- Better places:
 - Putting responsibility for key local roads, and deciding which bus services run, in one place;
 - Giving Local Government the power to decide what sorts of buses must be used - including their emissions standards or technologies.
- Better value:
 - Local Government accountable to local people – setting all fares;
 - Giving Local Government the central funding for bus services that is currently provided directly to operators;
 - Taking a more strategic view of what services are needed and where, and focusing services where they are most needed – rather than where the best commercial opportunity may be;
 - Creating effective competition to run bus services in areas where there is little on-road competition today;
 - Local Government joining up their planning of local transport services across modes and types of provision (including school and health transport); and
 - Allowing commercial bidder for franchises to innovate too.

It is important to understand that under franchising, bus services should continue to be provided by commercial operators, not local authorities. Local authorities cannot set up new municipal bus companies to compete for franchised services with existing operators or any new private sector providers.

Local authorities also need to be aware of the risks of pursuing franchising including:

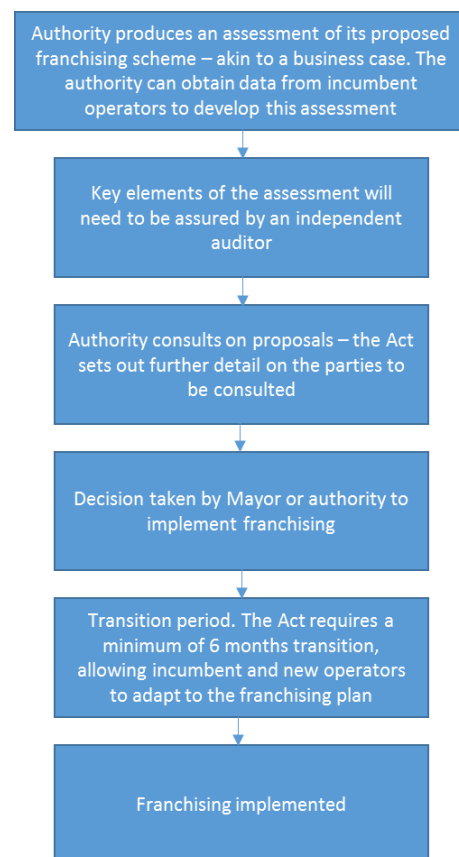
- Potential legal challenges to franchising from operators;
- Local authorities would take on the full cost of scheme preparation whereas, under an EP, preparation could be shared with operators and overall costs would be lower than a franchise, because the local authority would not have to devote the same level of analysis to appraising financial risk;
- Local authorities would be required to take some or all revenue risk under a franchise, whereas under an EP, it is likely that revenue risk would remain with operators;
- Risk and costs associated with Transfer of Undertakings (protection of Employment) Regulations 2006 (TUPE) transfer of staff and their pension protection where relevant;
- Potential 'stranded assets'; and
- The potential for transitional risks, if operators choose to reduce commercial operations in the period leading up to the commencement of franchised operations.

Process to Introduce Bus Franchising

As set out in the Transport Act 2000, the process of introducing a bus franchise is made up of five key stages:

- Preparation of an assessment of the proposed franchising scheme- akin to the development of a business case
 - including requesting any relevant information required from operators to develop the assessment
 - including commissioning a report to be prepared by an independent auditor on the assessment;

- Consultation and engagement;
- Responding to the consultation and, if the decision is to make a scheme, making and publishing the scheme;
- Transition, including staff transfers; and
- Implementation, including the operation of the service permit scheme



Criteria and Factors to Take into Account

- Plans for improving bus services - how does an authority intend to use franchising to deliver better services?
- Powers to make franchising a success - an authority needs a suite of powers in place to make franchising a success, e.g. control of both local roads and public transport, planning responsibilities, and control of issues such as parking policy;
- Strong governance arrangements - Decision-making and accountability arrangements need to be transparent to local people;

- Effective geography to make franchising a success- ensuring that franchising can be put into practice effectively across the geography of an area, appropriate to travel to work and leisure behaviour patterns; and
- Capacity and resources - the authority needs to be able to demonstrate that it has the capacity and resources to deliver franchising.

Development of a Franchising Scheme assessment

A Franchising Scheme assessment is required under Section 123B of the Transport Act 2000; without it an authority cannot implement franchising.

Section 123B continues to state that the assessment must describe the likely effects of the scheme and compare making the proposed scheme to one or more other courses of action. It must also consider the following:

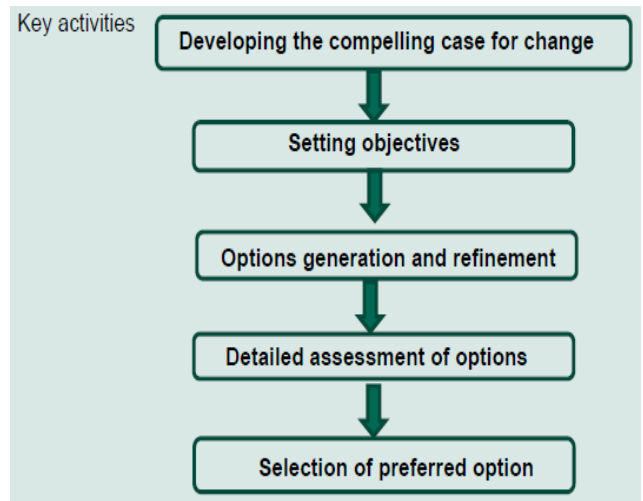
- Whether the proposed scheme would contribute to the implementation of other policies affecting local services;
- Whether the proposed scheme would impact neighbouring local authorities;
- How the authority would make and operate the proposed scheme;
- Whether the authority would be able to afford to make and operate the scheme;
- Whether the proposed scheme would represent value for money; and
- The extent to which the authority is likely to be able to secure that local services are operated under local service contracts.

The decision to change the model of bus service delivery is significant and will impact many stakeholders. This decision has however been devolved to franchising authorities so the assessment of the proposed scheme needs to contain sufficient detail to enable an informed decision to be taken.

Authorities are advised to refer to the Green Book and the Aqua Book for cross-government guidance on appraisal and evaluation, and producing robust analysis when preparing the assessment.

Overview of Assessment Process

The diagram below details the key activities that an authority should undertake when developing their assessment.



Legislation does not require the authority to pass a particular test or prove that franchising will deliver particular outcomes. It is for the Mayor to decide whether franchising is the right course of action in a mayoral combined authority, based on the assessment of the proposed franchising scheme and the results of the consultation.

The assessment should include a level of detail similar to an Outline Business Case and include:

- Detailed assessment of the options available;
- Full economic and financial appraisals, including appropriate sensitivity tests;
- How the preferred option would be procured;
- How risks to the delivery of the project will be managed.

Developing the Case for Change

The authority should set the context of the assessment by describing the overall aims and objectives of the authority, and the role transport (buses in particular) will play in relation to them. This might include economic, environmental or social objectives.

The assessment should involve information about current and predicted future performance of local bus services, including bus patronage, journey speeds and reliability and fares and ticketing.

In developing a case for change, an authority needs to consider:

- Local travel patterns and demand for travel in the local area;
- The geography of the area in which they are proposing to make changes and the reasons why such change is appropriate;
- Current levels of competition in the local bus market and the impacts that may be having on the offer to passengers; and
- Any external or wider trends (such as technological developments and innovation in smart cities or personal travel) which could impact on local bus services in the area.

The case for change needs to justify the need for intervention, and set out the issues that passengers are currently facing.

Setting Objectives

The authority should clearly set out the objectives it is trying to achieve separately from considering the options available to help achieve those objectives.

The objectives should be SMART (specific, measurable, achievable, realistic, and time-bound).

Options Generation and Refinement

The authority should identify a number of options which may help achieve the set objectives. It should not be a desk exercise, and authorities should engage with bus operators to explore options, such as realistic partnership propositions and ticketing solutions that could be considered alongside franchising propositions.

A detailed assessment should be completed for each of the shortlisted options to find the benefits, impacts and costs of each one to further determine the extent to which they would meet the objectives.

Strategic Case

As part of the assessment, authorities should consider whether the proposed franchising scheme would contribute to the implementation of their local transport plan policies and any other of their published and adopted policies that affect local bus services, such as environmental policy. The same consideration needs to be applied to neighbouring authorities' policies.

Economic Case

The authority should consider the economic case in terms of impact on wider society, both from the proposed franchising scheme and from the other options being considered. It should be assessed against a realistic 'do nothing' scenario.

The potential impacts of different options should be explained for passengers, the authority, wider society and bus operators which may include benefits for current passengers with cheaper tickets and more frequent services, or local residents with improved air quality.

The impact of the transition period should also be considered with each option, especially on passengers as they will likely face disruption or withdrawal of their normal service.

The authority should think about the distribution of benefits, costs and risks between different groups when considering the impacts of the options. With respect to franchising proposals, the authority should ensure they have considered:

- Impact on bus users - the likely benefits from changes in fares and measures to improve the quality of their journey experience;
- Fare-box revenue - whether a gross cost or net cost franchising model is being proposed;
- Bus Service Operators Grant (BSOG) payments - devolved to any authority that pursues franchising and, as a consequence, the funding to bus operators will decrease;
- Operating costs - such as leasing assets, staff, training, marketing and branding for example;
- Capital costs - such as investments in depots or buses;

- Bidding and administration costs;
- Implementation costs - including additional staff requirements;
- Operator margins - based on evidence from existing franchising and contractual arrangements;
- Environmental impacts - such as changes in air quality due to changes in congestion or service levels.

Financial Case

As part of the assessment, an authority needs to consider whether they would be able to afford to make and operate the proposed franchising scheme. In developing a financial case for the assessment, an authority should ensure they have considered:

- Whether the options would require capital spending, such as for the purchase of depots, buses or other infrastructure;
- Whether the options would require revenue spending, such as for additional staff, in particular considering the costs associated with the Transfer of Undertakings (Protection of Employment) Regulations 2006 (TUPE) transfer of staff and their pension protection where relevant;
- How BSOG funding will be used; and
- Considerations mentioned in economic case.

The financial case element of the assessment should set out:

- A year by year cost analysis, broken down by capital and resource expenditure, for the authority;
- The budget available to the authority in each of the relevant years;
- A year by year income forecast for the authority if relevant (for example if a gross cost franchise is proposed);
- Whether the option requires additional borrowing by the authority and if so what interest assumptions and repayment arrangements have been used;
- A summary of the key financial risks, particularly to any forecast income to the authority and including any quantified impacts and high level mitigation plans; and

- A sensitivity analysis, reflecting the range of financial risks.

Commercial Case

It is necessary for authorities to consider how they intend to facilitate the involvement of small and medium sized operators, especially as there is a need to ensure competition for the first and subsequent rounds of procurement.

An authority also needs to set out how they intend to facilitate cross-boundary services, including how the service permit system will be used to enable those services to operate.

Authorities should ensure that during the transition periods to the new options they know how they intend to ensure passengers are protected during the period and what commercial arrangements they plan to put in place to manage the process.

In developing the commercial case of the assessment, an authority should consider:

- The commercial model they intend to employ;
- The size and geographical scope of the areas to which contracts will relate;
- The lengths of contracts;
- Whether franchising will be phased-in gradually;
- Other key contractual arrangements, including those relating to staff transfer;
- How they intend to facilitate strong competition for contracts; and
- The key commercial risks, their potential impacts and how they would be mitigated and managed.

Management Case

The authority should consider how it would successfully deliver and manage the options, and set out the arrangements it plans to put in place to manage and mitigate risk in relation to each option.

The authority needs to state how it will manage the transition period from the current system to the new proposed options; the authority needs to clearly set out any contingency plans for providing replacement services should operators stop

running their services before the introduction of the franchising scheme.

Information Request

To inform the assessment, an authority needs to gather robust information and data. The Transport Act 2000 enables an authority to request certain data from operators of local services in the area in which the franchising scheme is proposed in order to help develop their assessment.

Authorities should also provide evidence for the assessment through information gathered from passenger surveys or information about local travel patterns, other research and evidence about the likely benefits or impacts of changes to bus services.

Assurance Report Prepared by the Auditor

Once the assessment has been prepared and an authority wishes to proceed with its proposed franchising scheme, it must receive a report from an independent auditor on the assessment.

The auditor's report must outline whether:

- The information relied on by the authority in producing the economic (value for money) and financial (affordability) cases of their assessment is of sufficient quality;
- The analysis of that information is of sufficient quality; and
- That the authority has had due regard to guidance issued by the Secretary of State under section 123B of the Transport Act 2000 in preparing its assessment.

The guidance issued by the Secretary of State in relation to the auditing process has two parts:

1) Guidance for franchising authorities on the matters to be taken into account by a franchising authority when selecting a person to act as an auditor.

2) Guidance for the appointed auditors, concerning matters to be taken into account by auditors when forming an opinion as to whether the information

relied on by the authority, and the analysis of that information by the authority, is of sufficient quality.

Consultation

Following the preparation of the assessment and the report prepared by the auditor, the authority should then consult widely on their proposals to ensure that local passengers, businesses and transport providers are able to comment on the proposals.

The Transport Act 2000 specifies a number of key stakeholders that an authority must consult on their proposals, including:

- Local bus operators;
- Representatives of employees of such operators;
- Organisations representing local passengers;
- Local authorities who would be affected by the proposed scheme, including National Parks Authorities where relevant; and
- A Traffic Commissioner, Chief Officers of Police for areas to which the proposed scheme relates, Transport Focus (the Passengers' Council), and the Competition and Markets Authority.

Where the authority is a mayoral combined authority, it must be the Mayor that takes the decision on whether or not to proceed with the franchising scheme following consultation.

Transition to a Franchising Scheme

Where an authority has decided to implement a franchising scheme, the market will need to transition from a de-regulated system, where operators register services with a Traffic Commissioner, to a system whereby the majority of services are specified by the authority or authorities and operated under contract to that authority.

Staff Transfers

The Transport Act 2000 recognises that where franchising is introduced, there may be a need for staff to transfer to new operators who have won local service contracts to provide franchised bus

services. Transfer of Undertakings (Protection of Employment) Regulations 2006 (TUPE) may apply in this situation which should protect existing staff working on the affected bus services, help reduce the burden of redundancy payments for operators who have to cease trading or downsize because of franchising while ensuring that there is a workforce ready to provide the new franchised services.

All affected employees who transfer when franchising is introduced should be provided with access to a broadly comparable pension scheme.

Service Permits

Where a franchising scheme is introduced, an authority will also need to operate a 'service permit scheme' to ensure that other services, which do not form part of the network of services under local service contracts, are still able to operate, including cross-boundary services. A consultation is required on an authority's proposed service permit system before it can operate.

The authority will review applications from operators for service permits on a case-by-case basis and assess whether the proposed service will benefit local passengers, and whether it will adversely impact on any of the services in the franchised network. A franchising authority has the power to suspend or revoke a service permit under certain circumstances.

Role of the Traffic Commissioner

When franchising is issued, services no longer need to be registered with the Traffic Commissioner if, for example, they are operated as part of a local service contract, or through a service permit.

As with Enhanced Partnerships, enforcement is still the responsibility of the Traffic Commissioner however, as they remain the body responsible for licensing and regulation of the industry. Traffic Commissioners are able to take action against operators, including attaching conditions to licenses and issuing fines, where operators are for example running services in the franchising

scheme area when prohibited from doing so or where they fail to provide information when required by an authority under the Transport Act 2000.

Enforcement of local service contracts themselves, and the standards imposed by those contracts, is a matter for the franchising authority, who should ensure they build in the necessary contractual mechanisms to deal with poor performance.

Authorities are also able to take action against operators that are not complying with the conditions of their service permit, by revoking or suspending such a permit. In this case, the Traffic Commissioner will act as the appeal body. Issues relating to safety or that could impact on the good repute of an operator should be reported to the Traffic Commissioner.

Devolved control over registering vehicles would be beneficial for the franchising authority as it would be able to enforce its own vehicle standards and criteria as well as enforcing penalties against punctuality for example, an area the Traffic Commissioner may not be as proactive currently.

Varying a Franchising Scheme

It is possible for an authority to vary a franchising scheme once it has been implemented. For a mayoral combined authority, it is the Mayor who is required to take the decision as to whether or not to vary the scheme.

Consultation is required for significant changes proposed to a franchise scheme. The same process as done when making the franchise scheme needs to be followed.

Revoking a Franchising Scheme

Although franchising is intended to be a long-term model, it can be revoked with good reason. An authority may only revoke such a scheme if they are satisfied that:

- Local services in the area to which the scheme relates are likely to be better if the scheme did not apply;

- The continued operation of the scheme is likely to cause financial difficulties for the authority; and
- The burdens of continuing with the scheme are likely to outweigh the benefits of doing so.

If one or more of these reasons are met, it is the Mayor's decision to revoke the scheme in a mayoral combined authority.

What would we potentially use it for in Coventry and the West Midlands?

To make franchising a success, an authority must be able to demonstrate it has the right suite of powers in place; authorities that have control of both local roads and public transport, together with planning responsibilities and control of issues such as parking policy, will be better placed to implement franchising as they are able to directly control many of the factors that impact on bus patronage.

Where an authority does not have control of these aspects, they could put in place alternative practical arrangements such as:

- The creation of a key route network of local roads across different authorities – under one management organisation and decision making structure; and
- A proposition for how the authority and its districts or constituent authorities will work together throughout the different tiers to implement franchising with a shared vision and approach for local bus services.

At present, the WMCA does not demonstrate the full suite of powers to make franchising a success, so there may be limitations at present to how well it could be delivered.

Franchising would be the mechanism that could deliver the greatest control of the bus network in the region and there are various models of franchising that could be explored, such as what area is franchised (region vs. corridor), and whether it is a gross cost or net cost franchising model. Different models would provide different

benefits and costs, which would have to be explored in greater detail.

Franchising Summary

The powers to implement a bus franchise are automatically available for a mayoral combined authority.

To implement a franchise, the Mayoral WMCA would need to prepare an assessment of the proposed scheme (with an audited report), consult with relevant stakeholders and then have the Mayor and the Mayoral WMCA determine whether to implement the proposals.

Key questions to ask before pursuing franchises:

- Is there a compelling case for change?
- Is franchising economically and financially viable?
- Will franchising help achieve wider economic, social or environmental objectives?
- Is there a more suitable option e.g. Enhanced Partnership or AQPS?
- Will additional revenue be needed for more staff, especially TUPE costs and pension protection?
- Can the devolved powers from the Traffic Commissioner be used effectively to benefit the franchising authority?

Bus Services Act 2017 Summary

The Bus Services Act 2017 provides local authorities, the Secretary of State and bus operators with a new toolkit to enable improvements to be made to bus services in their areas.

Along with modernising previous legislation with Advanced Ticketing schemes, three main options available to local authorities when working in partnership with bus operators are presented:

- Advanced Quality Partnership Schemes;
- Enhanced Partnerships; and
- Franchising.

Each option presents different mechanisms for improving buses and their suitability can be assessed based on what a local authority is seeking to improve.

Whilst voluntary partnerships (such as the Bus Alliance) are effective in generating improvements in the bus network, the new powers can be used to improve commitments through contractual arrangements.

A full assessment of the options should be undertaken to evaluate the costs and benefits of each option and to assess the degree that each option can deliver against local authority objectives.

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Strategic Vision for Bus



Transport for
West Midlands



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Andy Street
Mayor of the West Midlands



Roger Lawrence
Leader - City of Wolverhampton Council
Portfolio Holder - Transport WMCA

The West Midlands Combined Authority is working to deliver a transport system that the region will be proud of. One which allows people to prosper by connecting our communities to opportunities in employment, education, housing and leisure.

Public transport is essential for inclusive growth in the region, and the bus is central to the public transport offering with 4 out of 5 public transport journeys taken by bus. Through the West Midlands Bus Alliance we have worked collaboratively with bus operators, local authorities and other partners to invest in improvements to the West Midlands bus network, improving fares, passenger experience, vehicle emissions and network performance.

However the bus network is facing serious challenges. Congestion is decreasing the reliability and accessibility of the bus, whilst negative perceptions act as a barrier to a greater uptake in bus usage.

As a Mayoral Combined Authority we have new powers that could greatly influence the future of the network. Furthermore, technological innovations provide the potential to deliver a smarter network with integration between other modes of travel. We have the opportunity to deliver a bus network in the region that works for everyone, and decreases the need for private car trips which in turn helps to improve air quality in the region. These factors are key to achieving our Inclusive Growth agenda.

Setting our vision for the bus is necessary to enable us to assess the options and opportunities presented to us now and in the future. The vision will set the benchmark for what we want from the bus in the West Midlands, which will form a vital part of our world-class integrated transport system.

The West Midlands has strong growth ambitions to improve productivity and the quality of life for everyone who lives and works in the region. The opening of HS2, 2021 Coventry City of Culture and the 2022 Birmingham Commonwealth Games will be once in a lifetime opportunities to transform the region and drive investment.

Transport is key to this economic growth, but congestion on our roads remains a challenge to our ambitions. Transport for West Midlands (TfWM) is supporting local authority partners and investing in developing a world-class integrated transport system that will allow seamless, convenient travel across the region and will reduce the need for private car journeys on our already congested roads. The bus plays a vital role in this system carrying significantly more passenger than any other mode per annum, with the widest network coverage across the region.

The bus carries 4 out of 5 public transport trips in our region and remains the most important, adaptable and flexible mode. It is crucial to define its purpose in the region's integrated transport system to help the bus reach its potential.

Setting a vision for bus in the West Midlands will enable the region to develop its vital role and strive towards ensuring that the mode can thrive, supporting and connecting major rail and Metro investment, connecting communities and towns, and helping to build a healthier, happier, better connected and more prosperous region.

“

A world-class integrated, reliable, zero emission transport system providing inclusive travel for all across the West Midlands.

With excellent customer service and simple payment and ticketing options.

Customers will be able to make easy and safe door-to-door journeys, benefiting from new innovative transport solutions that meets the needs of a modern and diverse 21st Century economy, reducing the reliance on private single occupancy car journeys.

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The West Midlands Combined Authority (WMCA) has set out an ambitious plan for growth in its Strategic Economic Plan (SEP) to transform the regional economy. By 2030, the SEP plans for:



500,000
new jobs



20,000
more businesses



16,000
additional hectares
of employment land



215,000
additional homes

The SEP sets the overarching vision for the region. This will be delivered through an aspirational and robust programme to accelerate improvements in productivity and the quality of life for everyone in the region. The SEP recognises that an efficient and resilient transport system will underpin future economic success, by connecting communities to opportunities, and by connecting businesses to markets.

Movement for Growth, the West Midlands Strategic Transport Plan, sets out an ambitious plan to greatly improve the transport system to support economic growth and regeneration, new development and housing, and improve air quality, the environment and social inclusion. A 10-year delivery plan accompanies Movement for Growth, outlining key supporting transport projects that will deliver many of these outcomes over the coming decade.

Transport is fundamental to economic development and growth to enable the region to thrive and ensure we deliver on our Local Industrial Strategy, Housing Deal and Public Service Reform. Bus is a vital component to this as it directly supports access to the labour market, and allows people to access education, employment and services.

Transport for West Midlands (TfWM), the transport arm of the WMCA, has developed a Vision for Bus to ensure the delivery of a world-class integrated transport system, which allows convenient travel across the region by public transport that is affordable and accessible for all and reduces congestion on our roads.

TfWM's move towards of an integrated transport system is epitomised through the new West Midlands Transport brand, which brings a single identity to the public transport system in the West Midlands, with each mode having its own distinctive livery. Offering an integrated transport system is key for delivering genuine choice in the way people travel around the region, with car travel not having to be the default choice for travel.

Within the existing West Midlands public transport offering, buses play a fundamental role in supporting travel and accessibility. Whilst the bus network is facing certain challenges, including falling patronage and declining speeds, it remains the most popular and important mode of public transport in the region. This vision will help to develop the network for bus to ensure it continues to effectively serve the region, and can adapt and embrace innovation and opportunities to meet current and future travel demand and patterns.

Helping to overcome the region's strategic challenges as outlined in the SEP, with transport interventions:

1

Supporting an accessible network

Addressing transport barriers (accessibility, availability and affordability) for excluded groups

2

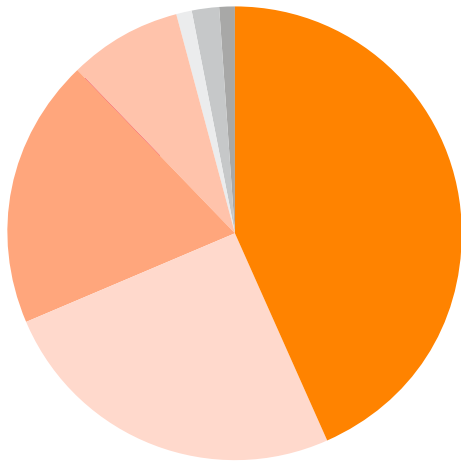
Delivering support that connects people to key employment and skills opportunities

Ensuring growth is inclusive by helping the most vulnerable and isolated groups share in prosperity

3

Ensuring alignment with the Public Service Reform agenda

Targeting interventions which secure better for less from public services, improving the life chances and the health and wellbeing of communities



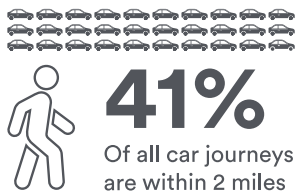
NTS data on average annual (main mode) trips per West Midlands metropolitan area resident (2015-2017)

- Drive (43%)
- Walk (19%)
- Rail and Metro (1%)
- Cycle (1%)
- Lift (25%)
- Bus (8%)
- Taxi (2%)

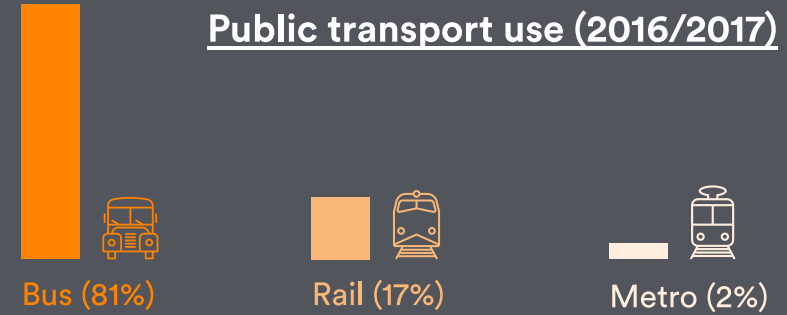


216,000

Fewer people are within a 45 minute bus journey time of Birmingham city centre compared to 2008 because of congestion



Public transport use (2016/2017)

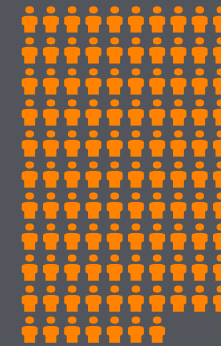


A growing region

Between now and 2035, our region will grow every day, by:

100 people

Which is the equivalent of filling an extra...



1.5 buses



84 cars



0.5 trams

or

or



Bus passenger satisfaction at **88%**

Largest commercially operated bus network in the UK with **75 million vehicle miles**



90%

of the urban area of the West Midlands within 400 metres of a bus stop



Bus punctuality at

82%

We fund 6.8million vehicle miles of socially necessary services and 850,000 Ring & Ride journeys each year



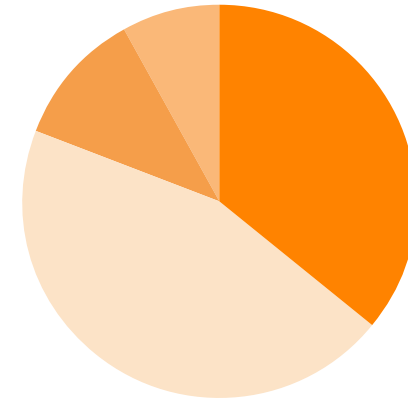
We manage 12 bus stations, maintain almost 12,000 bus stops and 1,750 RTI displays

Over 50%

of students are frequent bus users and depend on the bus to get to their education or training



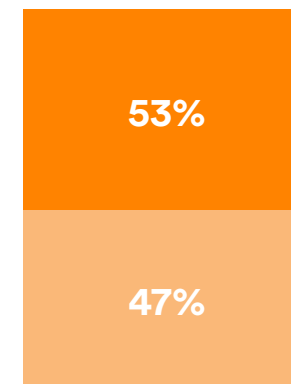
Journey Purpose by Bus 2018



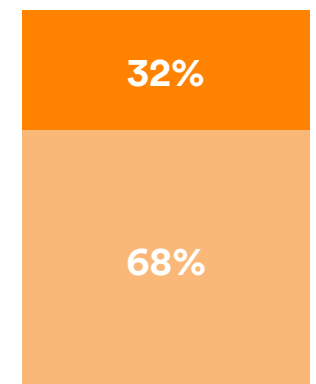
- Work (36%)
- Shopping/Leisure (45%)
- Education (11%)
- Personal Business (8%)

Car ownership in the West Midlands

- No car in household
- Car in household



Bus users



All West Midlands

The region's bus network has an indisputable, but often undervalued, role in powering the region's economy. It reaches every corner of our conurbation, providing an essential mobility service to access employment, education and leisure. It is the backbone of the region's public transport system.

Whereas rail and Metro patronage is growing, bus is seeing a patronage decline. However, buses still carry over three times more passengers a year than Metro and rail combined, with over 257 million passenger journeys in 2017/18.

Despite continued falling bus patronage in the region, it provides the widest and densest network of travel options for distances that are too long to walk or cycle, with 90% of urban areas within 400 metres of a bus stop.

The flexibility of the bus network also makes buses the perfect means of providing public transport options in areas of growth, changing travel demand and new housing, supporting the 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.

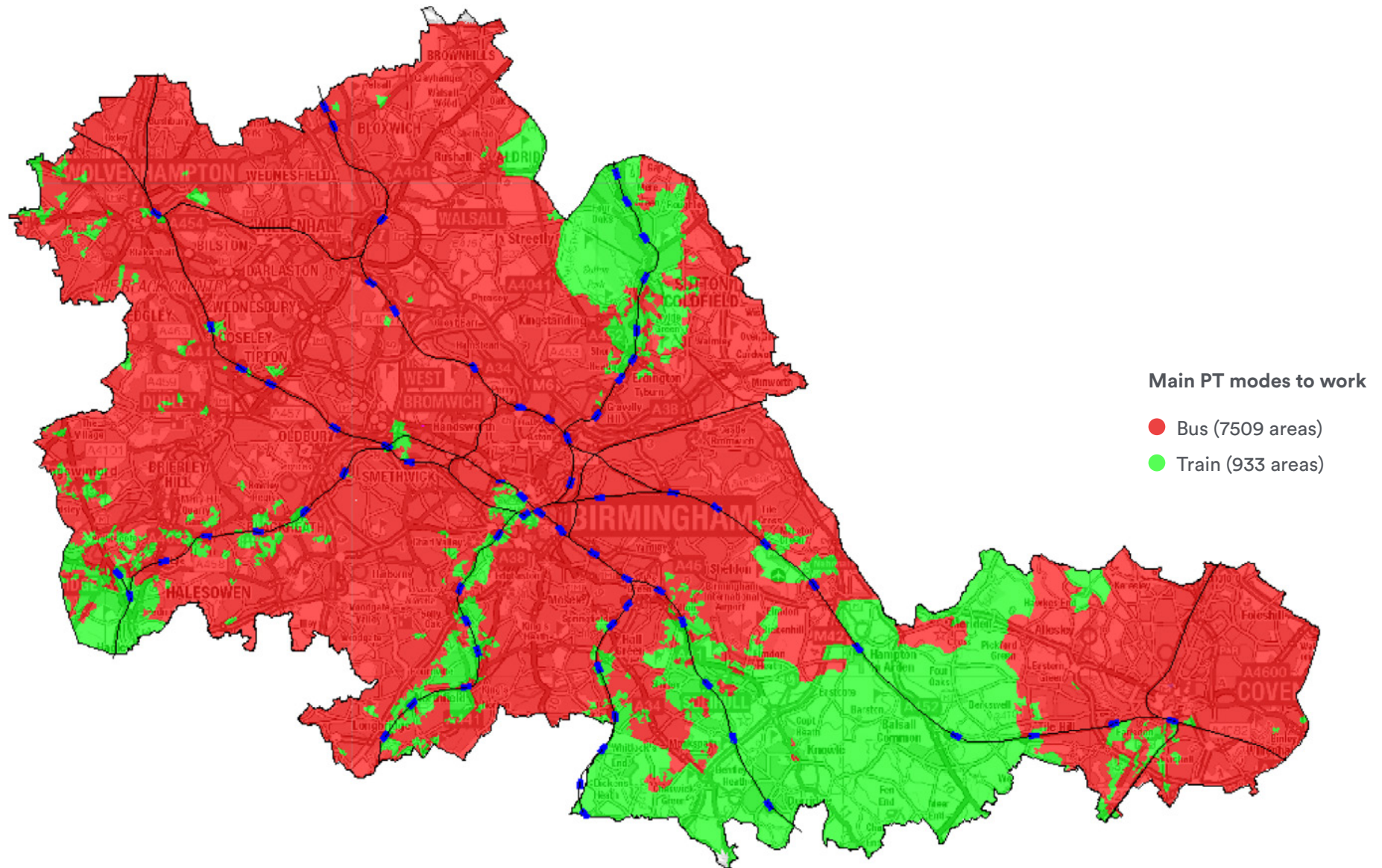
Buses should be treated as infrastructure. Bus infrastructure is essential to our lives and work. Having modern and accessible bus infrastructure throughout the region is fundamental to our future inclusive growth and long-term productivity. Treating buses as infrastructure means considering all aspects of bus; new vehicles; new and enhanced bus services; new bus infrastructure including highway measures; at-stop infrastructure and walking infrastructure to bus; as well as data, technology and passenger information.

We can do more for bus. Challenges, such as congestion, are restricting the mode's ability to reach its potential; whilst ongoing interventions have helped improve conditions to a certain degree, there are further opportunities to explore that can improve how we link up people and markets to attract investment and significantly improve the overall product of bus.



Main public transport mode used to access work (train/bus)

(with rail network, based on LSOA areas)



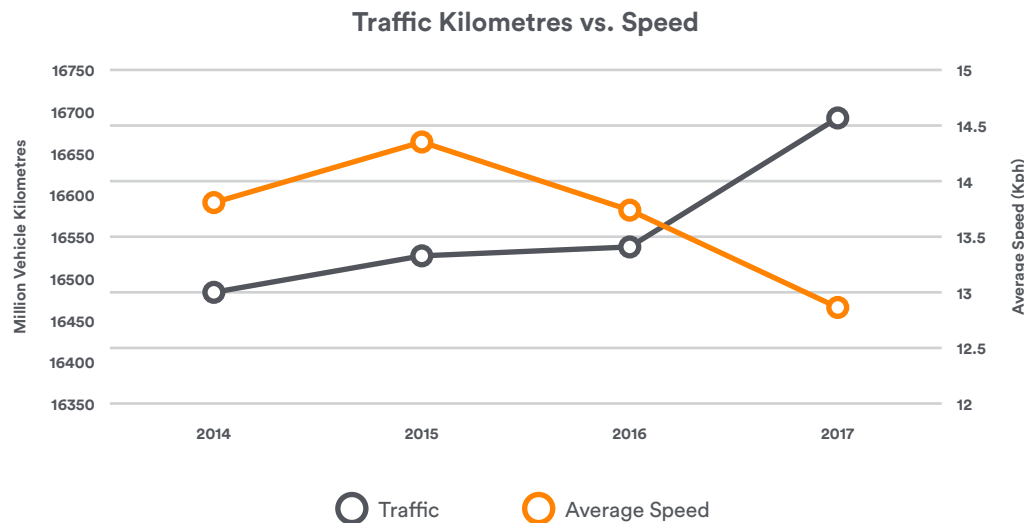
There are a number of challenges that buses face in the West Midlands, restraining its ability to be as reliable, accessible, well-used and affordable as possible.

The Congestion Challenge

The West Midlands economy has seen sustained growth in recent years, increasing faster than the national economy to make the region a national leader in attracting inward investment. This continued economic success means that travel demand has also grown rapidly, with 2016 seeing record levels of traffic on the region’s roads. With record levels of traffic comes record levels of congestion and as a result, bus speeds are reducing.

Congestion, if not managed properly, will continue to have direct costs to people and businesses; increasing business costs, affecting productivity and reducing accessibility to labour markets. Congestion also has a significant impact on the environment, accounting for 65% of nitrogen dioxide emissions along with increased noise pollution.

Congestion is set to worsen in the region as a result of major infrastructure projects such as HS2, 2022 Commonwealth Games and Metro construction, along with increased travel demand from population growth.



Congestion and the bus network

Without addressing major sources of congestion, buses will continue to suffer delays, variability in journey times and declining attractiveness. Congestion causes:

Journey Time Variability

Congestion is causing journey times to become less reliable, with journey time variations often much different to timetabled promises.

Decreasing accessibility

Congestion is slowing average bus speeds, meaning that accessibility is decreasing. As a result, less people can access locations in a reasonable journey time.

Decreasing attractiveness of bus

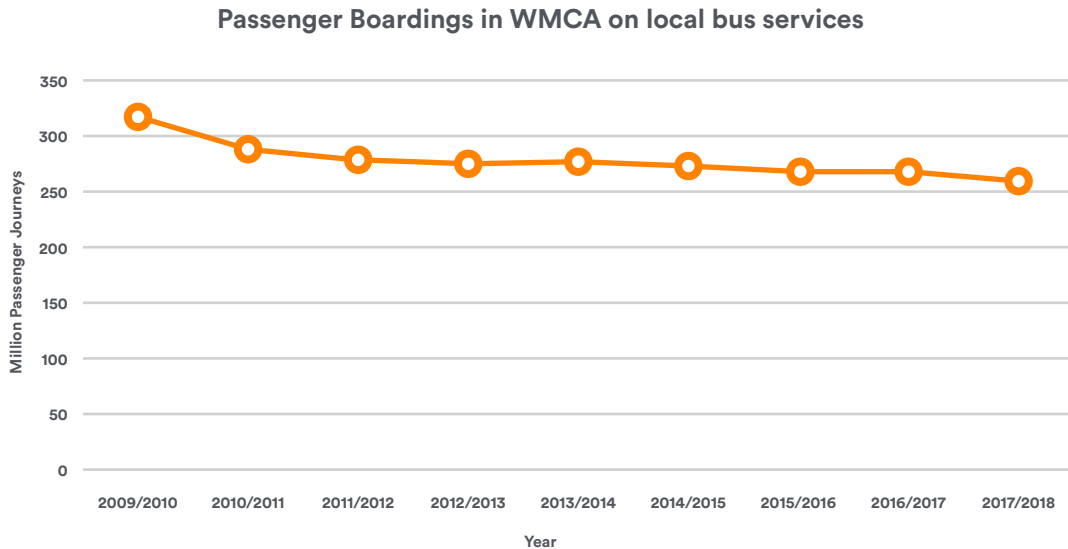
With increasing journey time variability and decreasing accessibility, buses are at risk of further patronage decline if people decide they cannot rely on the bus network.

The congestion challenge has also created existential threats to bus services in the region, where a continual reduction in speeds creates a cycle of fewer passengers leading to more car trips and creating more congestion.

Declining Patronage

Passenger journeys on the local West Midlands bus network have been declining, but at a lower rate than nationwide trends.

This has contributed to a reduction in network coverage within the West Midlands. In some areas we are no longer meeting our policy objectives on access to a bus service.



Vehicle Kilometres
Reduced by
approx. 2% a
year since 2000

Bus Fares
Increasing at
approx. 2% a year in
real terms since 2000

Air Quality

Poor air quality poses a great challenge to the region, contributing to almost 1,500 premature deaths per year. In all seven districts in the region, nitrogen dioxide (NO2) and/or particular matter concentration thresholds are exceeded (relative to EU limits).

Transport, particularly single occupancy private cars, is a major contributor to pollution. Increased congestion in turn causes further pollution due to standing traffic, a situation that the bus system contributes too. The bus sector has consequently been a focus area for tackling poor local air quality. This will have a significant impact due to the size of the operation, as there are currently around 2,100 buses operating in West Midlands across 23 operators, with just over a fifth of the bus fleet consisting of Euro III buses.

Social Inequality

The West Midlands social inequality gap is growing with more people now living in poverty and receiving low incomes.

Vulnerable groups however rely significantly on the bus network, but issues including affordability, accessibility and availability of bus services can act as major barriers to people accessing key opportunities like employment and training. As the bus network is impacted, the most vulnerable people are further disadvantaged. This in turn further contributes to a decline in their quality of life, widening the social inequality gap.

Bus passenger feedback allows us to monitor the performance of the bus network in the West Midlands. The Bus Passenger Survey in spring 2018 showed:



88%
Overall journey satisfaction



86%
Journey time satisfaction



76%
Punctuality satisfaction



67%
Value for money



Perception vs. Reality

There are many preconceived ideas around using the bus that act as a barrier to its usage.

A 'Demystifying the Bus Network' study was commissioned by TfWM to investigate perceived and actual barriers to bus travel with new and unfamiliar bus users. It compared their preconceived perceptions of the bus with actual perceptions of the bus once they had undertaken an accompanied bus journey.

Negative perceptions before undertaking a journey:

- Uncertainty on cost and payment method
- Safety
- Attitude and driving style of bus drivers
- Practicality of travelling with children on the bus
- Comfort
- Journey times

Feelings after undertaking a journey:

- Pleasantly surprised with cleanliness and physical comfort of the bus
- Buying a ticket (online and on-board) was more difficult than expected

These findings demonstrate that there are a number of improvements which need to take place in order to overcome negative and unfounded perceptions of bus travel.

TfWM has influenced the bus network in the West Midlands to improve service delivery in the region. This includes the creation of the West Midlands Bus Alliance, a Congestion Management Plan, Bus Alliance Network Development Plans, West Midlands Low Emission Bus Delivery Plan and other local bus enhancements on key corridors.

West Midlands Bus Alliance

Established in 2015, the West Midlands Bus Alliance brings together TfWM, bus operators, local councils and other partners to collaboratively deliver high levels of passenger satisfaction and drive forward investment in our bus services. The partnership is committed to making bus travel in the West Midlands cleaner, greener, safer and faster.

The Alliance challenges all partners to meet improved standards on key issues such as vehicle emissions, network performance, branding, punctuality and fares representing an investment of £150m.

Bus Alliance Key Achievements: 2015-18

Over £40m

invested by operators in Euro VI buses since 2015

Over £10m

invested to tackle bus congestion on the highways since 2016

105,000

16-18 year olds eligible for half-price travel, contactless ticketing and the introduction of nBus low fare zones, making bus travel more affordable

3 Advanced Quality Partnership Schemes (AQPS) and 2 Partnership routes to drive up bus service and vehicle standards and Network Development Plans to shape local networks in support of inclusive economic growth

The bold new West Midlands Transport brand has been brought to life with the first branded buses in operation

The Safer Travel Partnership (STP) has reduced overall recorded crime and funding has been allocated to expand the use of Vemotion technology, which allows for the transmission of 'live' CCTV from buses

TfWM's Congestion Management Plan (CMP) has been created to help tackle congestion in the region. Whilst there is no single solution for alleviating congestion, there are many smaller interventions that together will combine to make a big difference. The CMP is built on three core pillars:

- **Increasing capacity**
- **Improving efficiency**
- **Managing demand**

As congestion is having a detrimental impact on bus speeds, the CMP will provide vital relief, helping to improve bus speed and reliability in the region. By aligning the Vision for Bus with the CMP, buses will play a credible and active role in the CMP by offering an accessible transport alternative to the car. The better the bus network and service offering, the more compelling it will be as an alternative for private car use, thereby reducing congestion.



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CASE STUDY OF SUCCESS:
LODE LANE ROUTE ENHANCEMENT

Lode Lane is a key corridor in providing access to over 20,000 job roles in Solihull Town Centre and at Jaguar Land Rover, as well as wider access to Birmingham Airport, the NEC and the UK Central Hub. Lode Lane is one of the busiest bus corridors in the region, generating a bus every two minutes during peak periods which carry more people into Solihull Town Centre during mornings than in cars.

The Council worked collaboratively with Greater Birmingham and Solihull Local Enterprise Partnership, TfWM and National Express West Midlands to deliver a comprehensive route intervention between Jaguar Land Rover and Solihull Town Centre, including new bus lanes and bus priority at junctions. Furthermore, National Express West Midlands invested over £2 million in upgrading existing bus fleets. Critically, the scheme was delivered by maximising existing road space with no loss of service to general traffic.

The scheme opened in October 2016 and has achieved a 45% reduction in bus journey times in the morning peak hour into Solihull Town Centre. Bus patronage has increased by 11%, and there is now an enhanced environment for pedestrians and cyclists.



In the short-term buses are flexible enough to adapt to changing travel patterns and can accommodate rapid increases in travel demand. In the medium to long term buses can catalyse benefit realisation of more strategic mass-transit through improved interchange and integration, thereby improving connectivity between jobs, housing and education.

Inclusive Growth

At the heart of the SEP sits an ambitious skills agenda to ensure that all can benefit from economic growth. Bridging the skills gap will however need a spatial focus on those communities with high levels of worklessness. These areas typically see people in or at risk of poverty and have low levels of car ownership where people are reliant on the bus to access education and work opportunities. In these areas congestion disproportionately impacts upon bus users, increasing journey times and reducing potential job catchments. These factors ultimately create barriers to people and communities most in need of change and restrict the inclusive growth of the region.

The bus is therefore vital in achieving inclusive growth in the region and WMCA's Local Industrial Strategy. By increasing the accessibility, speed and affordability of buses we enable greater access to education and employment opportunities, strengthening our economic success and productivity.



Achieving a modal shift through service quality and innovation in bus

Sprint is a planned bus rapid transit scheme that will offer a similar level of service and comfort to a tram. It will operate on the highway like a bus with a limited stop service and dedicated bus lanes on major high volume routes.

Sprint will enable greater accessibility and quicker, more reliable journey times, helping the region to increase productivity whilst decreasing congestion on the region's roads. It provides the opportunity to encourage a greater modal shift from private cars with its enhanced level of service and comfort.

Accommodating Travel Demand

Although the bus network has experienced challenges associated with falling patronage, reduced accessibility and increasing costs, we have started to see more people travelling by bus. On a number of key routes, investment in new vehicles, lower fares and journey time improvements has attracted increased travel demand on bus, particularly among young people.

With an estimated 500,000 additional jobs, and 215,000 additional homes by 2030, there is huge potential for more people to use the bus to facilitate the expected growth in transport demand, and design a network to cater to this employment and housing growth across the region. New routes will be planned to connect new and existing communities with jobs to support our new housing through the West Midlands Housing Deal and Local Industrial Strategy.

Network Resilience

The region is undergoing a period of considerable growth and investment, but there are imminent challenges resulting from the concurrent construction programmes of the SEP, HS2, Highways England's Motorway upgrades and the 2026 Delivery Plan.

The ability for buses to accommodate rapid increases in travel demand will be an essential tool for mitigating these challenges. However, the CMP acknowledges that congestion will increase in the short-term from the wider array of construction schemes.

A greater uptake in public transport usage will be beneficial in mitigating this; with bus being the most flexible, accessible and affordable mode of public transport across the region.

Buses must also be protected from further disruption, and resilience strategies around bus will be key to protecting bus users from negative impacts of construction.

Air Quality

Putting bus at the centre of our approach to air quality is the quickest and most cost-effective solution to tackling this challenge. Through committed bus retrofit programmes, new vehicle procurement and the introduction of Advanced Quality Partnership Schemes setting minimum vehicle emission standards, the emission standards of the bus fleet is expected to significantly improve with an aspiration to have all buses at least Euro VI by the end of 2020.

With the proposed introduction of Birmingham's Clean Air Zone, the bus will be an essential tool in ensuring that people can still travel to and from the city centre.

Continual innovation in bus fuel technology presents opportunities to further improve fuel efficiency and emissions from the bus network, including zero emission vehicles, which will further help accelerate air quality improvements in the region.

Ticketing

The West Midlands has the largest smart ticketing scheme in the UK outside London (Swift), accepted on buses and trams and on the train for direct debit customers (with plans to roll out the full range of Swift onto rail, including Pay As-You-Go).

Swift provides tailored discounts and offers, supporting behaviour change. There is an opportunity to expand its capabilities to make multi-modal travel easier and cheaper. Work is underway to improve the customer experience through improved digital channels, contactless payments and further roll out of fare capping.

Safety

The Safer Travel Partnership, which was launched in 2006 and includes West Midlands Police, British Transport Police and Transport for West Midlands (TfWM), has helped cut crime on the network by 70% over the last eight years. There is now just one offence in every 60,000 bus journeys.

While crime on the buses is actually low, witnessing anti-social behaviour can undermine people's sense of security and safety that can lead to an unfounded fear of crime. This can result in people choosing not to go by bus and that means more congestion and pollution. No one should have to put up with bad behaviour which is why officers and bus inspectors will continue to operate a zero tolerance approach to bad behaviour, utilising advancements in technology, to take firm and effective action whenever it is encountered. This, along with advancements to vehicle safety provides the opportunity to further change the negative perception of safety on bus travel.

Transport Innovation

There are technological and digital opportunities that have the potential to revolutionise local bus travel in the UK's first Future Mobility Area. Demand Responsive Transport and Mobility as a Service (MaaS) both offer the potential for changing the way in which people travel in the region.

The data revolution presents an opportunity to change the way we consume data and access information. With 5G, there is an opportunity to deliver enhancements such as real time journey information to passengers, smart payment methods across all modes and access to live CCTV streams to increase passenger safety.

Opportunities to shape the network

As a Combined Authority WMCA and TfWM have powers that can influence the bus network in the West Midlands. Along with powers around the Key Route Network, bus lane enforcement, and safety and security, the Bus Services Act 2017 provides new powers which can allow a greater degree of influence on the local bus network. TfWM will explore how these powers can be used to achieve our vision for bus in the West Midlands.

Integration with other modes

There is an opportunity to ensure that buses link seamlessly with metro, rail and Sprint routes, to facilitate easy multi-modal travel and local, regional and national travel. This is fundamental for creating an integrated transport system in order to move away from a reliance on cars in the region. Switching between modes will be easier and cheaper through our integrated ticketing systems and further enhancements to Swift, the region's smart travel card.





Without widespread uplift in the use of public transport, the region's growth ambitions set out in the SEP will be severely impeded as congestion continues to grow, eventually choking inward investment in jobs and discouraging people from living in the region. At the heart of this approach is recognition that road space is a scarce commodity, where an increasing emphasis on people-moving capacity instead of moving-motor-vehicle capacity will be required to ensure everyone can benefit from growth.

There is often a trade-off between bus having to provide an essential mobility service, whilst simultaneously offering a service which competes

with more direct modes of transport such as the private car. The bus however continues to be the most accessible and affordable mode of public transport across the region, and opportunities exist to exploit the many benefits that the mode has towards achieving the wider WMCA goals such as inclusive growth, increased productivity and improved air quality.

Decreasing speeds and reliability from road congestion is especially suppressing the potential of the bus network in supporting the region's ambitions. Buses need to be given greater priority through a step-change in investment to ensure bus infrastructure and the network supports the

anticipated scale and shape of growth across the region. Whilst our interventions to date have been beneficial, new opportunities exist that have the potential to further enhance the mode's offering across the region and overcome the major challenges faced.

Before we can assess these opportunities available for overcoming the challenges faced by bus however, we need to establish our fundamental vision for bus in the West Midlands. With an established vision, we can then assess what options will be most effective for achieving it.

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A world-class integrated, reliable, zero emission transport system providing inclusive travel for all across the West Midlands.

With excellent customer service and simple payment and ticketing options.

Customers will be able to make easy and safe door-to-door journeys, benefiting from new innovative transport solutions that meets the needs of a modern and diverse 21st Century economy, reducing the reliance on private single occupancy car journeys.

”

1. **UK leading low emission bus fleet with zero emission corridors serving the most affected areas of air quality.** We will improve our natural environment by continuing to work with local bus operators and the diverse supply chain to accelerate the transition to zero emission vehicles across the region; to achieve the cleanest bus fleet in any Metropolitan area of the UK and utilising new clean technology to grow zero emission travel and the movement of people.
2. **Fully integrated bus network including local demand responsive and rapid transit services supporting rail, coach and Metro interchange as one network.** We will provide one transport system where customers can move easily and conveniently between modes and travel on an integrated bus network, supported by new and innovative forms of bus travel and connecting Sprint and all other modes of public transport. The basis of this integrated bus network will be a simple, core turn up and go frequency network, supported by local bus services providing network coverage.
3. **Simple, convenient and easy to use payment options including full capping providing a network which is value for money and affordable for customers.** We will provide an integrated and multimodal payment solution that uses the latest digital technology to make it easier and quicker than ever before to access the bus network. The payment technology will be valid across all operators and will remove the complexity of fares planning through intelligent capping that provides best value without the customers needing prior knowledge of fares. It will also provide access to the wider integrated transport system and will be supported by a Fares and Payment Strategy.
4. **Fewer private car journeys by making bus the mode of choice and creating better access to jobs and long-term change.** We will plan for long-term inclusive economic growth by treating bus as the infrastructure in a place-based approach on growth corridors and at specific sites; bringing together the right bus infrastructure (i.e. highways, services, data and technology) with housing, jobs and skills to enable more people and places to achieve economic success, attract investment and support long-term productivity.
5. **Creating a safe, secure and accessible mode for all and tackling long held barriers and perceptions.** We are committed to creating a safer transport network for all passengers in the West Midlands and will continue the Safer Travel Partnership with West Midlands Police and British Transport Police, with the aim of preventing and reducing crime on the bus network. We will ensure bus vehicle, at-stop and interchange safety and accessibility standards, so the bus network meets the needs of all customers at all times, regardless of any impaired mobility, ultimately transforming the perception of bus travel.
6. **Accountable network performance management – tackling issues causing congestion and reliability problems.** We will manage the network with the Regional Transport Control Centre (RTCC) that provides a coordinating umbrella across all modes and transport partners, for how we manage daily network operations, planned construction and sporting events and incident responses to keep people moving and the West Midlands open for business. Alongside the RTCC, there will be investment in the sensor technology to improve the efficiency and management of the local road network and monitoring of performance on the Key Route Network (KRN).
7. **World-leading customer information utilising 5G and all available technologies and platforms.** We will be the first 5G ready region in the UK, trialling new high-speed connectivity and technology for improved customer information and network management, as well as making our buses and bus infrastructure safer using artificial intelligence (AI), and building on our success as the UK's first Future Mobility Area to trial and demonstrate new modes of transport, services and technologies, like Mobility as a Service (MaaS).
8. **Younger people supported by discounted travel, as well as addressing barriers for excluded groups.** We will aim to ensure that everyone has the same access to transport and that everyone can travel easily, confidently and without extra cost. In particular, we will develop an offer for young people accessing jobs and training opportunities as well as supporting other excluded groups with barriers. This will involve designing and delivering services in a genuinely inclusive way with recognition to all vulnerable groups. We will also ensure future transport technologies are designed in an inclusive way to open up new opportunities for currently excluded groups.
9. **Evolve a network to support the 24/7 thriving economy, connecting people to new and developing destinations and attractions.** We will improve the network by providing the right local bus infrastructure to build the connections that people need for improved access to existing skills, jobs and leisure for all our communities and networks at any time of the day. This will build on the delivery of Sprint and our existing bus delivery programme commitments and Network Development Plans to deliver improved bus journey times and services; as well as working with private sector partners to trial new and innovative forms of public transport and underpinning a multi-modal transport system.

Short Term Priorities

Small scale local highway schemes, focussed on ‘quick win’ measures at traffic black spots, can realise noticeable reductions in congestion quickly and cheaply. This could include traffic signal optimisation, lining/ kerbing changes and/ or traffic regulation orders. There is also an opportunity to work alongside the development of Sprint to bring forward measures that are of low complexity and which could deliver early benefits to the bus network.

Optimising Existing Assets

Much of the region’s highway infrastructure for buses and passenger facilities has been in operation for a considerable period. In this time there have been changes in traffic characteristics, highways layouts, travel patterns and bus services. It is proposed that we review all existing bus priority schemes and passenger facilities in the region to ensure they are still working for all road users and passengers.

Governance

WMCA will investigate the powers available through the Bus Services Act 2017 to understand the benefits and disbenefits of the options available for delivering bus services.

In addition, we will continue to seek investment and further devolution of powers from Government which will assist in our plans to deliver a bus network that works for everyone in the region.

Bus Alliance

Through the Bus Alliance we will continue to work with bus operators and other partners in the region to ensure that bus improvements are made, and ensure the delivery of existing commitments in the West Midlands Low Emission Bus Delivery Plan and Bus Alliance Network Development Plans.

Delivering an Integrated System

TfWM will continue to explore how smart technology, transport innovation, data and 5G can be exploited in the UK’s first Future Mobility Area to deliver an integrated transport system in the region.

Delivering smart payment technology, real time passenger information and integrated fare structures are an essential part of seamless modal integration. Furthermore, Mobility as a Service (MaaS) has the potential to greatly influence the travel behaviours of people in the West Midlands, and TfWM will continue to assess how best we can utilise the innovative software platform in our Future Mobility Area. New modes such as Sprint and Demand Responsive Transport can help transform and complement the conventional bus, and we will explore how to best exploit the benefits.

Looking to the Future

We will continue to measure the success of the bus network and keep our options open in seeking the best opportunities to deliver our regional vision. This will be supported by a delivery plan.

We will regularly review our policies to ensure we can deliver on our pledges.



Transport for West Midlands

Building a healthier, happier, better connected
and more prosperous West Midlands.

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