

Coventry City Council
Minutes of the Meeting of Business, Economy and Enterprise Scrutiny Board (3)
held at 2.00 pm on Wednesday, 28 June 2023

Present:

Members: Councillor R Singh (Chair)
Councillor T Jandu
Councillor A Kaur
Councillor A Masih
Councillor J McNicholas
Councillor B Singh

Other Member
(by invitation):

Councillor J O'Boyle – Cabinet Member for Jobs,
Regeneration and Climate Change

Other Present
(by invitation):

Jon Hayes, Head of Bus, Transport for West Midlands
Amy Poole, Head of Public Affairs, National Express
James Green, Operational Manager, National Express
Mark Whitelocks, Managing Director, National Express

Employees
(by Service area):

Law and Governance G Holmes, M Salmon

Transportation and
Highways D Pipe, J Seddon

Apologies: Councillor F Abbott
Councillor P Akhtar
Councillor R Simpson

Public Business

1. Declarations of Interest

There were no disclosable pecuniary interests.

2. Minutes

The minutes of the meeting held on 8th March 2023 were agreed and signed as a true record.

Further to resolution 2) of Minute 26 headed 'Cycling and Walking Update', Members noted that a Briefing Note had been sent to the Cabinet Member for Policing and Equalities, the issue had been picked up in the Renewal of the City Centre Public Space Protection Order Report to Cabinet on 13th June 2023, and

the matter would be considered at the Cabinet Member for Policing and Equalities – Disability Equality Advisory Panel on 29th June 2023. The Board would be updated on progress.

3. **Bus Update**

The Business, Economy, and Enterprise Scrutiny Board (3) received a briefing note of the Director of Transportation and Highways and the Scrutiny Co-ordinator that provided the scope of the item Bus Update, to enable Members of the Board to be briefed on the current position of bus services, as well as identify key areas and issues for further consideration at the meeting of the Board on 27th September 2023.

Representatives from Transport for West Midlands (TfWM), National Express and Stagecoach attended the meeting for this item.

Members had raised concerns about bus service provision in Coventry, especially for vulnerable user groups such as school children and older people. Bus services within Coventry were operated by private sector companies within a legislative framework set by national government. The West Midlands Combined Authority was the Strategic Transport Authority with responsibility for the Bus Service Improvement Plan, a responsibility that is discharged through their transport delivery arm, TfWM.

Bus services within Coventry were primarily operated by National Express and by Stagecoach. The services operated by Stagecoach were primarily cross-boundary services linking Coventry with communities within Warwickshire and those operated by National Express were primarily those that operated within the city boundary, or which provided cross-boundary services to Solihull and Birmingham.

TfWM had the day-to-day responsibility for setting the bus policy framework for the West Midlands, including the preparation and implementation of the Bus Service Improvement Plan.

The bus industry was facing significant challenges at present, with patronage remaining below pre-pandemic levels and costs having escalated significantly. These meant that fewer bus services were now commercially viable, and that greater public subsidy would be required to maintain the bus service network at its current level.

Health inequalities were linked to poverty and physical activity. Better walking, cycling and public transport links to employment centres were essential. Air pollution was also a concern, with traffic jams a major cause. Improved public transport was part of encouraging active travel and addressing health inequalities.

The Head of Bus at the TfWM gave a presentation to the Board that highlighted:

Local Context – Coventry

- Patronage exceeding pre-covid levels – 93% across West Midlands
- 480k passengers per week – June 2023 – 4.77m across West Midlands
- ENCTS passengers down on pre-covid
- Current network c.95% of pre-covid – 89% in the region
- Driver position greatly improved – just 0.4% of mileage was lost in May due to drivers – this continued to reduce

Operator Pressures

- Cost of running buses had increased to c.125% of 2019 costs.
- Driver shortages being resolved but at a cost.
- Fuel cost variable.
- Utilities
- Materials
- Maintenance
- Revenues have not kept pace with cost inflation

Bus Network - Funding

- Operators had limited options to address the imbalance – fares increase and/or network reductions.
- National and Regional Governments - supported operators since April 2020.
- Current funding mechanism ending 30th June.
- DfT had changed the approach for how BSIP money could be spent – move away from service transformation to retention.
- TfWM requested a change in use for DfT to create a Network Support Fund – c£40m
- DfT supporting operators through providing additional funding via BSOG+ – devolved to TfWM – c£22m
- Seeking to guarantee the current network(ish) to end of 2024.
- Any network changes would be subject to engagement with stakeholders.
- Seeking for operators to deliver services in partnership on routes with competition.

Fares

- Operators previously committed to a zero-fares increase to 2025 – supported through BSIP.
- Operators no longer able to commit to this initiative – BSIP funding had been removed and repurposed.
- Fares increase on 3rd July 2023 – c. 12.5% - basket.
- Day ticket increase from £4 to £4.50
- Same date the premium for Nbus multi-operator ticket removed – ‘single ticket any operator’
- Start of ‘Bonfire of Bus Tickets’
- The next version of the Enhanced Partnership would implement a mechanism for how fares would change in the future.
- DfT had extended £2 fare cap to October 2023 – local operators yet to commit - remain in discussion with DfT

Electric Bus City

- Every bus in Coventry to be electric before end of 2025
- £140m investment - £50m from DfT.
- 130 Double Deck buses delivered
- 92 buses in service
- Currently in dialogue with Stagecoach on delivery of next phase.
- Considering options for tendered services

Other

- Network from January 2025
- WM On-Demand / Ring and Ride – merged service.
- School Services

In considering the presentation, the Board questioned the representatives from TfWM, National Express and Stagecoach, and the officers, received responses, and discussed the matters summarised below:

- The financial support provided to bus operators
- Global rebranding of National Express – risk factors to the UK and contingency plans
- The on-demand bus service and Ring and Ride Service (now a merged service) – service availability for the whole city through 106 monies and monies from University. Service now available for doctors' appointments. Separate travel arrangement available for hospital appointments.
- Electric buses – total of 300 electric buses of various design to suit all routes by 2025 between National Express, Stagecoach, and a small number of TfWM services
- Use of BSIP and BSOG monies – part of money from BSOG to promote/engage with public, promotions to encourage new passengers, money from BSIP would now support network/retention as well as transformation
- Ticketing – Prices have remained static since 2017. Coventry has cheapest day ticket in the region, many offers for family/group travel, offers for various types of travel including tickets for combination of bus and train travel, special ticket offers for hospital staff, single ticket price cap of £2 until October 2023
- Pensioner bus passes - statutory requirement to fund free travel pass for pensioners to travel after 9.30am, before that time there will continue to be a fare of £1 due to rising operating costs
- Cross boundary travel – liaise with neighbouring areas
- Issues for service delivery for bus companies - roadworks on junction 6, parked vehicles on the length of the Burges, difficulties with free-flowing traffic on major arterial routes
- Utilities works – acknowledgement of need to carry out works. Requires better co-ordination between companies to minimise disruption to highway/traffic – national long-standing issue.
- Effective co-ordination/ information sharing between bus operators, utilities, and the Authority, in respect of planned highway works
- Events and attractions – links with public transport including ticket offers and discounts

The Board requested that the following information be circulated to them:

- A breakdown of how BSIP and BSOG monies were being used
- A process for more effective co-ordination/ information sharing between bus operators, utilities, and the Authority, in respect of planned highway works
- An update on the Ring and Ride / On-Demand bus service
- Tickets for group travel

The Board also requested that officers and bus operators consider commercial agreements with events and attractions to encourage public transport usage. The Board would recommend this when considering the Tourism Strategy at a subsequent meeting.

A list of matters to be considered at the meeting of the Board on 27th September 2023 would be forwarded to TfWM / bus operators in advance of the meeting.

RESOLVED that the Business, Economy, and Enterprise Scrutiny Board (3):

- 1) Notes the information presented in the briefing note of the Director of Transportation and Highways and the Scrutiny Co-ordinator, the presentation from Transport for West Midlands, and the comments and discussion with National Express and Stagecoach.**
- 2) Identifies the following areas and issues to be considered as key lines of enquiry at the meeting of the Board on 27th September 2023:**
 - Matters affecting reliability of service**
 - Impact of withdrawn bus services and mitigation**
- 3) Requests that representatives from the following be invited to contribute evidence to the key lines of enquiry for the meeting of the Board on 27th September 2023:**
 - Schools**
 - Older people groups**
 - Universities**
 - Community groups**
- 4) Requests that officers consider more effective co-ordination/ information sharing between bus operators, utilities, and the Authority in respect of planned highway works.**

4. Work Programme 2023-24

The Business, Economy, and Enterprise Scrutiny Board (3) received a report of the Scrutiny Co-ordinator that detailed the issues carried over from the Board's Work Programme 2022/2023 and suggested for meetings of the Board in 2022/2023.

Members had attended a Scrutiny Work Programme Planning Session on the same day as the meeting of the Business, Economy, and Enterprise Scrutiny Board (3) and noted that, a meeting of all Scrutiny Chairs had been scheduled in July 2023 at which Scrutiny Board Work Programmes would be updated to capture items suggested at the Work Programme Planning Session.

Members were invited to submit further items to the Chair/Scrutiny Co-ordinator.

RESOLVED that the Business, Economy, and Enterprise Scrutiny Board (3):

- 1) Notes the issues carried over from the Work Programme for 2022/2023 and suggested for meetings of the Board in 2023/2024 and that the work Programme would be updated, following a meeting of all Scrutiny Chairs scheduled in July 2023, to capture items suggested at the Work Programme Planning Session.**
 - 2) Agrees that an item on the 'Development of the Coventry and Warwickshire Growth Hub' be considered at the meeting of the Board scheduled for 15th November 2023. The Work Programme would be updated accordingly.**
- 5. Any other items of public business which the Chair decides to take as matters of urgency because of the special circumstances involved**

There were no other items of public business.

(Meeting closed at 4.00 pm)