

EXECUTIVE

14th April 2022

Report Title	North Northamptonshire Enhanced Partnership
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Lead Member	Councillor Graham Lawman, Executive Member for Highways, Travel & Assets

Key Decision	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Is the decision eligible for call-in by Scrutiny?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Are there public sector equality duty implications?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information (whether in appendices or not)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Applicable paragraph number/s for exemption from publication under Schedule 12A Local Government Act 1972	

List of Appendices

- Appendix A** – Enhanced Partnership Plan
- Appendix B** – Enhanced Partnership Scheme
- Appendix C** – Stakeholder consultation responses
- Appendix D** – Equalities Screening Assessment

1. Purpose of Report

- 1.1. This report provides an update on key developments affecting North Northamptonshire's bus services. It seeks agreement for the adoption of the Enhanced Partnership Plan and Scheme between the Council and local bus operators. It notes the need to work with operators to design a financially sustainable and passenger-focused network that works for changing travel patterns, post-pandemic and proposes the allocation of some funding to encourage people to travel by bus.

2. Executive Summary

- 2.1. The Government's National Bus Strategy 'Bus Back Better', required the Council to develop a Bus Service Improvement Plan and Enhanced Partnership

in order to be able to access future funding for bus services. Following the publication of the Council's Bus Service Improvement Plan in October 2021, work has been undertaken to develop an Enhanced Partnership Plan and Scheme with local bus operators. These documents form a legally binding agreement between the Council and operators with actions ascribed to all parties. Following consultation with operators and wider stakeholders, it is proposed that the Plan and Scheme be made without modification.

- 2.2. The Enhanced Partnership is largely concerned with existing commercial bus services and does not provide the mechanism to improve rural bus services. Having agreed a new budget for subsidised bus services, the Council needs to develop, consult on and publish a policy on how that budget should be used to meet the requirements of the Transport Act 1985.
- 2.3. Whilst Government has extended Covid-related support for the bus industry until September 2022, the Council needs to work with local bus operators to develop a financially sustainable and passenger-focused public transport network, that works for changing travel patterns post-pandemic.
- 2.4. As the best way to mitigate any reduction in bus services is to have more people travel, it is proposed that funding should be allocated to work with operators to market bus travel across North Northamptonshire.

3. Recommendations

- 3.1. It is recommended that the Executive:
 - a) Make the Enhanced Partnership Plan and Enhanced Partnership Scheme, which form Appendices A and B of this report, as proposed in accordance with Section 138G of the Transport Act 2000. Table 2 within **Appendix B** is subject to sufficient resources being available.
 - b) Agree that a policy for subsidising bus services should be developed in consultation with the Executive Member for Highways, Travel and Assets and, following consultation in accordance with the Transport Act 1985, recommendations should be brought back to the Executive for approval.
 - c) Note the recent announcement of additional Government funding (Local Transport Fund as referenced in 5.7 below) to support bus services and the requirement to work with bus operators to co-design a financially sustainable and passenger-focused public transport network, that works for changing travel patterns post-pandemic. The allocation for North Northamptonshire is still to be confirmed and this funding will be allocated, in consultation with the Executive member for Highways, Travel and Assets and the Executive Director for Place and Economy.
 - d) Agree to allocate £50,000 from existing budgets for 2022/23 to work with operators on a marketing strategy for bus services.

- 3.2. Reason for Recommendation: An Enhanced Partnership would form a useful forum to tackle the challenges which the bus industry will face over the coming years and provide the basis to spend any funding secured from Government through the Bus Service Improvement Plan. Meeting the Council's legal duties to consult on and publish a policy on subsidised bus services and to provide North Northamptonshire communities with the best possible level of bus service with post-pandemic travel patterns.
- 3.3. Alternative Options Considered:
- Whilst the Council has the flexibility to choose not to make the Enhanced Partnership Plan and Scheme at this stage, this is not recommended as it would not provide as sound a basis for co-design of a financially sustainable and passenger-focused bus network with local bus operators.

4. Report Background

- 4.1. The Government published Bus Back Better, the National Bus Strategy for England (outside London) in March 2021. Backed with transformational funding of £3bn during the current Parliament, the strategy sets out a vision *"to make buses more frequent, more reliable, easier to understand and use, better co-ordinated and cheaper so that increased passenger numbers lead to reduced congestion, carbon and pollution, and encourages motorists to use a bus rather than their cars"*.
- 4.2. In order to receive this funding, local authorities were required to commit by the end of June 2021 to forming either an Enhanced Partnership or introducing bus franchising across the whole of their area. The Executive agreed, in June 2021, to form an Enhanced Partnership, which is a statutory arrangement under the Bus Services Act 2017. The Enhanced Partnership can specify, for example, timetables and multi-operator ticketing and allows the Council, as Local Transport Authority, to take over the role of registering bus services from the Traffic Commissioners, the Government body responsible for licensing bus and heavy goods vehicle operators.
- 4.3. Having committed to forming an Enhanced Partnership, the Council had to publish a local Bus Service Improvement Plan, detailing how we propose to use our powers to improve services, by 31st October 2021. This was agreed by the Executive on 11th November 2021, having been submitted under delegated authority in order to meet the timescales set by Government.
- 4.4. According to the requirements laid down by Government in the National Bus Strategy, the Council then had to form an Enhanced Partnership by 31st March 2022. This requires the preparation and publication of both an Enhanced Partnership Plan and an Enhanced Partnership Scheme. There are statutory requirements relating to consultation on these documents:
- A 28-day consultation with local bus operators, with statutory objection thresholds; followed by

- A consultation with stakeholders; followed by
 - A further 28-day consultation with local bus operators, with statutory objection thresholds, if any modifications to the Enhanced Partnership Plan or Enhanced Partnership Scheme are proposed.
- 4.5. In January 2022, during the initial 28-day consultation period with local bus operators, the Government advised that they now only required a draft Enhanced Partnership Plan and Scheme to be submitted to them by the end of April 2022. In common with many other councils who had reached a similar stage, it was decided to continue to progress the Enhanced Partnership, but to delay the report to Executive to 'make' the Enhanced Partnership Plan and Scheme from March to April 2022.

5. Funding for bus services

- 5.1. The majority of bus services in Britain (outside London) are operated commercially. This means that like any commercial business, the bus operator decides when and where to run their services and the fares to be charged.
- 5.2. Local transport authorities, such as the Council, have a duty under Section 63 of the Transport Act 1985 "to secure the provision of such public passenger transport services as the council consider it appropriate to secure to meet any public transport requirements ... which would not in their view be met apart from any action taken by them for that purpose". Section 64 of the Act requires consultation and publication of the Council's policies in that regard.
- 5.3. Since the former County Council withdrew its bus subsidy budget in 2018/19, the only services which have been subsidised by the local transport authority in North Northamptonshire have been through Section 106 developer funding, funding through parish or town councils and through Government's grants, and the W8 service between Wellingborough and Bozeat which the Council stepped in to subsidise after the commercial operator withdrew the service in November 2021.
- 5.4. The Enhanced Partnership is largely concerned with existing commercial bus services and does not provide the mechanism to improve rural bus services. This will be achieved via the two new budgets totalling £275,000 agreed as part of the Council's budget for 2022/23 to support implementation of the Bus Service Improvement Plan and subsidy of bus services. In accordance with the Transport Act 1985 the Council will need to develop, consult on and publish policies for how it wishes to spend money subsidising bus services.
- 5.5. The Council bid, through its Bus Service Improvement Plan, for additional funding to improve bus services in North Northamptonshire. The Government announced on 4th April 2022 that no funding had been allocated to North Northamptonshire.
- 5.6. The onset of the Covid pandemic from March 2020 led to a significant reduction in the number of people travelling by bus and a consequent drop in revenue

received from passengers. Operators have been able to sustain services levels through Government funding; initially the Covid-19 Bus Service Support Grant, and, since September 2021, the Bus Recovery Grant. The majority of this funding has been paid to commercial operators, but, a small proportion has been paid to local transport authorities.

- 5.7. With bus patronage still only having recovered to 70-75% of pre-Covid levels, the Government has agreed a final allocation of £150m to support local bus services across England, to be known as the Local Transport Fund. Details of the allocation of this funding have not yet been determined. This funding is dependent on local areas and operators co-designing a financially sustainable and passenger-focused public transport network, that works for changing travel patterns post-pandemic.

6. Issues and Choices

- 6.1. The Enhanced Partnership Plan and Scheme together form a legally binding agreement between the Council and local bus operators over actions they will take to improve bus services in North Northamptonshire over the three-year period to 31st March 2025.
- 6.2. The Enhanced Partnership Plan is essentially a condensed version of the Bus Service Improvement Plan which was agreed by the Executive in November 2021, containing relevant proposals. The key actions described in the Enhanced Partnership Plan are grouped around the themes of:
- Bus priority
 - More modern buses and decarbonisation and making passengers feel safer
 - Fares and integrated ticketing
 - Service network improvement
 - Integrated services and information
 - Giving passengers a say
- 6.3. The Enhanced Partnership Scheme describes existing and new facilities and measures for both the Council and bus operators. The Council will continue to:
- Maintain the bus gate and bus lane in Wellingborough and the bus-only streets with enforcement through number-plate recognition cameras
 - Maintain the bus interchanges in Corby, Kettering and Wellingborough
 - Maintain real-time information displays
 - Maintain street lighting at current levels in the vicinity of bus stops
 - Reimburse operators for concessionary travel
 - Use its parking and traffic enforcement powers to make bus journey times more reliable
 - Provide bus timescale and mapping information on its website
 - Provide systems for reporting highway defects and information about planned roadworks

6.4. New actions to be taken by the Council are, in consultation with bus operators, to:

- Reduce the effect of road works on bus services
- Develop and implement a three-year marketing plan for local bus services
- Develop a passenger charter (also with bus user representatives)
- Work with operators to develop a strategy for replacing diesel buses with electric (or alternative) buses.

And subject to available funding:

- Seek to introduce bus priority measures on the Kettering to Desborough and Burton Latimer corridors.
- Improve facilities at bus stops
- Undertake a review of bus stop safety
- Improve and extend the coverage of real-time information displays

6.5. Actions for bus operators contained in the Enhanced Partnership Scheme are:

- To maintain normal daytime frequencies between 0730 and 1830 Monday to Friday on Urban Tier 1 and 2 routes (defined in the Scheme).
- Enhance the bus network to better service visitor attractions
- Undertake a joint network review by April 2023
- Fleet to have Automatic Vehicle Location equipment by April 2023
- 80% of fleet to have digital recording CCTV by April 2025
- Work with the Council to phase out Euro III and IV engine buses
- Operators with over 20 buses operating in North Northants to develop investment plans to move to a non-fossil fuel fleet
- Make contactless payment available by April 2023
- Explore common fare stage boundaries by April 2023
- Develop a multi-operator ticket across North Northants
- Work to put in place fare capping for Smart Card or contactless payments
- Improve information provided to the public
- Develop a customer charter

6.6. The Enhanced Partnership Scheme also contains the governance structure for the partnership. This consists of a Management Forum (with 50% voting rights to the Council and 50% to the operators) and a Wider Stakeholder Group. It also provides details of a Bespoke Variation Arrangement to make future changes to the Enhanced Partnership Plan or Scheme in accordance with Section 138E of the Transport Act 2000.

6.7. As described in more detail in section 8.5 of this report, there have been no statutory objections from bus operators to the proposed Enhanced Partnership Plan or Scheme; and there are no modifications proposed to either the Enhanced Partnership Plan or Scheme which would require a second operator consultation. The Council is, therefore, in a position to be able to make the

Enhanced Partnership Plan and Scheme as proposed in accordance with Section 138G of the Transport Act 2000 (as amended by the Bus Services Act 2017).

- 6.8. As a result of the change in Government requirements described in section 4.5 above, the Council does have a choice of not 'making' the Enhanced Partnership Plan and Scheme and only submitting draft documents to Government. This is not recommended because the Enhanced Partnership would form a useful forum to tackle the challenges which the bus industry will face over the coming years and provide the basis to spend any funding secured from Government through the Bus Service Improvement Plan.
- 6.9. Having made the decision to reinstate a bus subsidy budget, the Council now has a statutory duty to consult on and publish policies for how this funding will be spent. It is a condition of the new Local Transport Fund that the Council works with bus operators to co-design a financially sustainable and passenger-focused public transport network, that works for changing travel patterns post-pandemic. The Council could choose not to receive any funding via the Local Transport Fund, and, therefore, not oblige itself to work with operators in this way, but, that is not recommended as it would either lead to reduced levels of bus service or increase the call on the Council's own financial resources.
- 6.10. The need to work with operators to co-design a future network and develop a policy for subsidised services aligns well with the requirement for a Bus Network Review in the Enhanced Partnership Scheme, which would consequently be advanced. Although the April 2023 date for such a review in the Enhanced Partnership Scheme cannot be changed without a further round of statutory consultation, there is no reason to believe that bus operators will not cooperate with bringing such a review forward.
- 6.11. Although the new bus subsidy budget could allow bus services to be provided for some communities that do not currently have one, it is important to recognise that, unless patronage returns to pre-Covid levels in the next few months, a reduction in bus service levels seems inevitable, as beyond September 2022 operators will need to balance their incomes and expenditure without the benefit of Government support.
- 6.12. The best way of maintaining service levels is, therefore, for more passengers to be travelling, and to support this it is recommended that £50,000 from existing budgets for 2022/23 is allocated to a NNC marketing strategy to be developed and implemented, working alongside bus operators, to support bus services.

7. Next Steps

- 7.1. A Notice of the making of the Enhanced Partnership Plan and Scheme will be published in accordance with section 138G of the Transport Act 2000.

- 7.2. Work will commence on the co-design of a financially sustainable and passenger-focused bus network, including exploring options for subsidised services.
- 7.3. Work will begin on developing plans for the marketing of bus services.

8. Implications (including financial implications)

8.1. Resources, Financial and Transformation

- 8.1.1. The proposals outlined in this report will be met from existing budgets, and Table 2 within Appendix B is subject to sufficient resources being available from future grant incomes received from Government or section 106 developer contributions, or funding contributions from Town or Parish Councils.
- 8.1.2. It should be noted that the Enhanced Partnership Scheme will legally oblige the Council to continue maintaining certain facilities and measures for the three-year period to 31st March 2025, and that this will in consequence limit the freedom which would otherwise exist to reduce budgets in certain areas during this period.
- 8.1.3. The Bus Service Improvement Plan agreed by Executive in November 2021 included a bid for further Government funding. The outcome of this received on the 4th April confirmed no additional funding from central government. NNC will continue to explore other funding streams as set out in 8.1.1. Measures in the Enhanced Partnership Scheme which were dependent on this or other funding (Table 2, Appendix B), are clearly indicated as being subject to funding and therefore do not represent firm obligations on the Council without such funding.
- 8.1.4. The 2022/23 budget agreed by Full Council on 24 February 2022, included two items totalling £275k relating to the implementation of the Bus Service Improvement Plan and supporting/subsidising bus services:
- £245k for Bus Service Support (Implementation of Bus Service Improvement Plan)
 - £30k for subsidised Bus Services (Potential funding gap between funding available from Parish Councils and expected cost of services)
- 8.1.5. It is proposed that £50k from existing budgets in 2022/23 is allocated to a NNC marketing strategy for bus services in order to increase patronage and reduce the risk of North Northamptonshire communities having a lower level of bus service in future.

8.2. Legal and Governance

- 8.2.1. The arrangements for consulting on and making an Enhanced Partnership Plan and Scheme are set out in the Transport Act 2000 (as amended by the Bus Services Act 2017) and related secondary legislation. The legislation has been followed in drawing up and consulting on the Enhanced Partnership Plan and

Scheme, and this report proposes that the Plan and Scheme are 'made' in accordance with the Act.

- 8.2.2. The Transport Act 2000 is very prescriptive about the contents of the Enhanced Partnership Plan and Scheme and the appendices to this report have been prepared in accordance with the statutory requirements.
- 8.2.3. Should Executive wish to make modifications to the Enhanced Partnership Plan and Scheme which form **Appendix A** and **B** of this report, it will be necessary for them to undertake a further 28-day consultation with bus operators in accordance with section 138G of the Transport Act 2000.
- 8.2.4. It should be noted that once the Enhanced Partnership Scheme is made the Council will have a legal obligation to undertake the measures ascribed to it in the Scheme over the three-year period to 31st March 2025.
- 8.2.5. The Council's statutory duties in relation to subsidised bus services are set out in the Transport Act 1985 and related secondary legislation. The recommended approach for developing, consulting on and publishing a policy for bus subsidy is required to accord with this legislation. Subsidised local bus services must be procured in accordance with the Transport Act 1985 and other procurement legislation and the Council's own procurement governance.

8.3. Relevant Policies and Plans

- 8.3.1. The proposal will assist the Council in meeting the priorities in the Corporate Plan around:

- Safe and Thriving Places
 - Enable people to travel across North Northamptonshire and beyond
- Green, sustainable Environment
 - Demonstrate clear leadership on tackling environmental sustainability
 - Work with communities and businesses to tackle climate change and improve air quality
 - Promote sustainable, active travel
 - Embed low carbon technology, sustained and improved green infrastructure, and sustainable forms of transport fit for the future.

- 8.3.2. The proposal will assist the Council in delivering the objectives of the Northamptonshire Transportation Plan (the Council's Local Transport Plan), which the Council has a statutory duty to deliver, and the Bus Service Improvement Plan.

8.4. Risk

- 8.4.1. There are no significant risks arising from the proposed recommendations in this report.

8.5. Consultation

8.5.1. The Transport Act 2000 sets out the consultation process for an Enhanced Partnership Plan and Scheme, which is in three stages:

- i) A 28-day consultation with bus operators, with statutory objection thresholds;
- ii) A consultation with wider stakeholders; and
- iii) Should there be any changes proposed following the wider stakeholder consultation, a further 28-day consultation with bus operators, with statutory objection thresholds.

8.5.2. In advance of the first formal consultation with bus operators, they were informally consulted on the proposals in the plan. Operators raised concerns about a number of proposals which would have a potential adverse impact on their business or where they were not currently in a position to commit capital investment. Changes were made to the Enhanced Partnership Scheme to reflect these concerns, particularly regarding potential investment in lower-emission buses.

8.5.3. The formal 28-day consultation with bus operators then ran from 22nd December 2021 to 19th January 2022. While a number of comments were received, which led to very minor changes to wording, no objections were received from operators.

8.5.4. The wider stakeholder consultation then ran from 26th January to 25th February 2022. Consultation responses were received from 13 individuals or organisations. The details are contained in **Appendix C**.

8.5.5. Many comments received were supportive of the proposals in the Enhanced Partnership Plan and Scheme. Of the comments which could be read as unsupportive the majority related to three key areas.

- The lack of proposals to improve rural bus services or services more generally – While the objective of the Bus Service Improvement Plan is to increase patronage, in the short-term the reality is that the number of passengers is significantly reduced from pre-Covid levels, and commercial operators are not currently in a position to commit to improved services. As described in section 8.1.4 above, the Council has allocated a new budget for subsidised services, which is likely to lead to improved services for some rural areas, but this will be subject to a separate consultation in the coming months.
- The lack of detail around many proposals – The Department for Transport recognise that in drawing together an Enhanced Partnership Plan and Scheme at pace, the proposals cannot be fully detailed at this stage. Many are subject to securing funding, and it could take many months of further work before full details are available.

- The lack of investment in low- or zero-emission buses – Bus operators are not in a financial position to make the necessary investment at this time, while Council awaits the outcome of its bid for Government funding.

8.5.6. While a change has been made to the Competition Test as a result of a comment received from the Competition & Markets Authority, and some very minor changes have been made to wording of the Enhanced Partnership Plan and Scheme which are considered inconsequential in requiring a further statutory consultation, it is not considered that there are any further modifications that could be made to which the Council and/or bus operators could commit at this stage, therefore, the Enhanced Partnership Plan and Scheme can be made as proposed.

8.6. Consideration by Executive Advisory Panel

8.6.1. The Environment, Growth and Climate Change Executive Advisory Panel has considered the development of the Bus Service Improvement Plan and the Enhanced Partnership, along with other issues related to bus services, at its meetings on 21st July and 20th October 2021 and 19th January and 16th March 2022. Comments made by the Panel have helped to inform the priorities reflected in the Enhanced Partnership.

8.7. Consideration by Scrutiny

8.7.1. Not applicable at this stage. The Scrutiny Commission may choose to consider the Enhanced Partnership or bus services more generally in future.

8.8. Equality Implications

8.8.1. An Equalities Screening Assessment has been prepared and can be found at **Appendix D**.

8.8.2. The improvements outlined in this report will benefit all bus users or potential bus users across North Northamptonshire. They will be of proportionately greater benefit to the older age groups, those with disabilities, particularly those who are unable to drive, and those who are pregnant or using pushchairs, those with certain health problems and those on low incomes, who use buses proportionately more than the wider community. There are no identified negative impacts on the nine protected characteristics within the Equalities Act 2010.

8.9. Climate Impact

- 8.9.1. The proposals in this report should have a positive climate/environmental impact through increasing bus use, reducing car use and potentially the introduction of lower or zero emission buses.

8.10. Community Impact

- 8.10.1. The proposals in this report reduce the risk that communities in North Northamptonshire will lose their bus service and may allow some communities which currently have no bus service to regain one.

8.11. Crime and Disorder Impact

- 8.11.1. A number of the proposals in the Enhanced Partnership Scheme have scope to prevent crime and disorder, particularly the installation of digital recording CCTV on buses and (subject to funding) improvements to bus stops.

9. Background Papers

- 9.1. Executive paper, 22 June 2021, Agenda No 7 National Bus Strategy
- 9.2. Executive paper, 18 November 2021, Agenda No 17 Bus Service Improvement Plan
- 9.3. Transport Act 1985
- 9.4. Transport Act 2000 (as amended by Bus Services Act 2017)
- 9.5. Bus Back Better, the National Bus Strategy for England, Department for Transport 2021