



Purpose: For Decision

# Cabinet report

Date	<b>16 JUNE 2021</b>
Title	<b>ENHANCED PARTNERSHIP FORMAL NOTICE - NATIONAL BUS STRATEGY</b>
Report of	<b>CABINET MEMBER FOR INFRASTRUCTURE AND TRANSPORT</b>

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## EXECUTIVE SUMMARY

1. In March 2021 the Department for Transport (DfT) published the National Bus Strategy for England 'Bus Back Better' [Bus Back Better \(publishing.service.gov.uk\)](https://publishing.service.gov.uk). It is a requirement of the strategy that all Local Transport Authorities (LTAs) in England commit to enter Enhanced Partnerships with local bus operators by the end of June 2021, with the intention of formalising the partnership by April 2022. LTAs that wish to pursue franchising may do so, but they must commit to implementing the Enhanced Partnership in the meantime.
2. This report sets out the timescales and stages of the process which LTAs are required to follow as outlined within the National Bus Strategy ('the Strategy') to enter an Enhanced Partnership by April 2022.
3. The DfT must be notified that the Isle of Wight Council (IOWC) is committed to establishing an Enhanced Partnership and the Formal Notice published by the end of June on the Council's website. From 1 July 2021, only LTAs and local bus operators who meet these requirements will continue to receive Covid-19 Bus Services Support Grant (CBSSG).

## BACKGROUND

4. The National Bus Strategy sets out the Government's vision to dramatically improve bus services in England outside London to reverse the recent shift in journeys away from public transport and encourage passengers back to bus. To achieve the requirements of the strategy, Local Transport Authorities and local bus operators must work at pace with local communities to plan and deliver a fully integrated service with simple, multi-modal tickets, more bus priority measures, the same high-quality information for all passengers in more places, and better turn-up-and-go frequencies that keep running into the evenings and at weekends.
5. The quality of bus services prior to the pandemic varied greatly across the country and the Government is determined that great bus services should be available to

everyone, everywhere. The Bus Services Act 2017 provides the tools needed to deliver this and the Strategy commits £3 billion of new funding to support this.

6. Initial feedback indicates that the £3bn funding will be split between both: an allocation to Local Transport Authorities and a challenge fund, from which Local Transport Authorities can competitively bid to achieve the aims set within their Bus Service Improvement Plan (BSIP). Therefore, the DfT have recommended that the BSIPs are ambitious in what they set out to achieve as this will have a bearing upon the allocation and the likelihood of securing funding through any competitive bidding.
7. To achieve the requirements of the National Bus Strategy the Isle of Wight Council as the Local Transport Authority, is required to follow the following timescales:
  - (a) Step 1 - by the end of June 2021 - Decide which statutory path to follow - pursue an Enhanced Partnership (EP) Scheme or develop a bus franchising assessment.
  - (b) Step 2 - by the end of October 2021 - Publish a BSIP.
  - (c) Step 3 - by the end of March 2022 - Have either an EP Scheme in place or be following the statutory processes to develop a bus franchising assessment. As the Strategy says, those LTAs (other than mayoral combined authorities) which wish to pursue franchising must be able to satisfy the Secretary of State that they have the capacity and resources to deliver the franchised model chosen. Since franchising can take several years, and we want to deliver change for all parts of the country quickly, LTAs (other than those already pursuing a franchising assessment, such as Greater Manchester) should also commit to establishing an Enhanced Partnership in the meantime. If LTAs believe they can deliver franchising sufficiently quickly, they may be allowed to skip the EP stage.
8. Subsequent to the publication of the National Bus Strategy the DfT have published further guidance on establishing Bus Service Improvement Plans; [Bus service improvement plan - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/544242/Bus_service_improvement_plan_-_GOV.UK_(www.gov.uk).pdf)
9. BSIPs are required to include the following:
  - (a) Basic Information about the current bus network
  - (b) Information about local operators
  - (c) What and where are the main barriers to bus usage and growth
  - (d) Views of passengers and third parties
  - (e) Proposals for improvement
  - (f) Post Covid-19 Challenges
10. BSIPs are intended to be 'living' documents, performance against which should be reported on every six months and formally reviewed with bus operators every 12 months.
11. Further revised guidance is due to be published by the DfT in relation to establishing Enhanced Partnerships [The bus services act 2017: enhanced partnerships \(publishing.service.gov.uk\)](https://publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/544242/The_bus_services_act_2017_enhanced_partnerships_publishing.service.gov.uk.pdf), though the previous version is published and will be used as a basis in the development of the EPs.

12. To achieve the tight deadlines set by Government, support in undertaking this task is being sought from Hampshire Councils Commercial Services via the established Joint Working Agreement.

## STRATEGIC CONTEXT

13. Following the necessary decision by the end of June 2021, the Isle of Wight Council officers responsible for Transport shall commence further engagement with local bus operator and other stakeholders such as bus user, service provider and local business groups to establish a BSIP. This will in turn form that overarching basis from which the Enhanced Partnership can be established.
14. It is an expectation of the Government that Bus Service Improvement Plans would cover the following specific areas:
  - (a) Intensive services and investment on key corridors, with routes that are easier to understand
  - (b) Significant increases in bus priority
  - (c) Fares must be lower and simpler
  - (d) Seamless integrated local ticketing between operators across all types of transport
  - (e) Service patterns integrated with other modes
  - (f) The local bus network to be presented as a single system, with clear passenger information.
  - (g) Modern buses and decarbonisation
  - (h) Give bus passengers more of a voice and a say
  - (i) More demand-responsive services and 'socially necessary' transport
  - (j) Longer term transformation of networks through Bus Rapid Transit and other measures
15. Creating an ambitious BSIP to fulfilling the above expectations and establishing an Enhanced Partnership with Local Bus Operators would have a positive impact on all four corporate priorities of the IOWC, as set out in the [Corporate Plan](#) 2019-2022: Growth, Regeneration, Opportunity and Wellbeing.

## CONSULTATION

16. Throughout the forthcoming process of developing and establishing both the Bus Services Improvement Plan and the formal Enhanced Partnership, the Isle of Wight Council will be required to undertake stakeholder engagement with bus user, service provider and local business groups.
17. A plan for stakeholder engagement shall be developed to ensure that the Council receives the necessary feedback from all of the groups and organisations.
18. Additionally, it is a requirement that the views of the public and bus passengers are sought. This will be achieved through periodic surveys and the feedback shall be used to develop and inform the BSIP and its subsequent revisions.

## FINANCIAL / BUDGET IMPLICATIONS

19. An Initial funding allocation of £100k capacity funding has been offered to all Local Transport Authorities, which the Isle of Wight Council has received. This funding is intended to ensure that Council has the sufficient resource to develop the BSIP and EP. It is the intention that the funding allocation will be used to commission the support from Hampshire County Council's Commercial Services and their in-house consultants for this purpose.
20. Consideration will also need to be made in respect of future staffing capacity to manage the new requirements for Public Transport and the management of the BSIP.
21. Further capacity funding from an overall pot of £15m, shall be made available to Local Transport Authorities who commit to establishing an EP following the end of June 2021 deadline.
22. On commencement of the Enhanced Partnership, Local Transport Authorities (LTAs) will be able to access the £3bn funding being made available. The DfT have indicated that a proportion of the funding will be made available via an allocation basis to LTAs, whilst a further proportion is due to be made available via challenge fund against which LTAs can competitively bid. It is a recommendation of the DfT that the BSIPs are ambitious as both funding routes will be based upon the levels of aspirations.

## CARBON EMISSIONS

23. This decision will have no impact on the council's Carbon Management Plan.
24. One of the key drivers for the National Bus Strategy are the national emissions and climate change targets, as the modal shift of the public from private car use to more sustainable modes of travel is crucial in achieving these targets.
25. Likewise, to achieve the merging local climate change strategy it essentially that there is a significant increase in the use of sustainable travel and bus travel is key to achieve this aim.
26. Further to this, the funding structure will incentivise investment in zero emission public transport services and networks, with such aspirations built into the BSIPs.

## LEGAL IMPLICATIONS

27. The Isle of Wight Council will be required to enter an Enhanced Bus Partnership or seek Franchising Powers as per the Bus Services Act 2017 (which amends the Transport Act 2000).
  - (a) <https://www.gov.uk/government/publications/bus-services-act-2017-new-powers-and-opportunities>
  - (b) <https://www.gov.uk/government/publications/bus-services-act-2017-enhanced-partnership-creation>
  - (c) <https://www.gov.uk/government/publications/bus-services-act-2017-bus-franchising-creation>

## EQUALITY AND DIVERSITY

28. The Council as a public body is required to meet its statutory obligations under the Equality Act 2010 to have due regard to eliminate unlawful discrimination, promote equal opportunities between people from different groups and to foster good relations between people who share a protected characteristic and people who do not share it. The protected characteristics are age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.
29. Under the Equality Act 2010 the Council is required to have due regard to its equality duties when making decisions, reviewing services, undertaking projects, developing and reviewing policies.
30. Due regard to the Council's responsibilities under the Equality Act 2010 has been given at the formative stage of this proposal. An equality impact assessment has been completed and attached to this report as Appendix 1.

### OPTIONS

31. **Option 1:** Not to approve establishing an Enhanced Partnership with Local Bus Operators or submit a proposal to seek franchising powers and therefore not publish the required formal notice by the end of June 2021.
32. **Option 2:** To approve establishing an Enhanced Partnership advising the Department for Transport of the Council's intention and publish the required formal notice by the end of June 2021.

### RISK MANAGEMENT

33. The key risks are the tight deadlines set by the Government and the availability of the support and/or experienced Council Officers required to establish the strategic documents.
34. There are potentially financial and reputational implications for not meeting the deadlines, such as the withdraw of Covid-19 Bus Services Support Grant to local operators, loss of capacity funding and the subsequent funding being made available via the DfT to LTAs to achieve BSIPs.
35. To mitigate these risks, commission is being sought with Hampshire County Council's Commercial services via the Joint Working Agreement to provide the necessary support.

### EVALUATION

36. **Option 1:** Not to approve – this option was discounted as the Isle of Wight Council and potentially local bus operators would cease to receive funding, as well as the likelihood to access any future funding.

## RECOMMENDATION

37. **Option 2: To approve** establishing an Enhanced Partnership advising the Department for Transport of the Council Intention and publish the required formal notice by the end of June 2021.

## APPENDICES ATTACHED

Appendix 1 – Equality Impact Assessment

## BACKGROUND PAPERS

- 1) Bus Back Better (National Bus Strategy) - March 2021
- 2) National Bus Strategy: Bus Service Improvement Plans – May 2021
- 3) The Bus Services Act 2017: Enhanced Partnership Guidance

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