

# **Local Government Association briefing**

## **Bus Services Bill,**

## **House of Lords, Second Reading**

### **Wednesday 8 June**



#### **Key messages**

- The LGA supports the overall aims of the Bus Services Bill. As the most used form of public transport, buses support local economies by connecting communities and providing access to vital public services and jobs. The current bus franchising system needs to be reformed to improve bus services for passengers. Local transport authorities need a more effective set of powers to improve services for local residents, and reverse the decline of services in areas outside London.

#### **Bus franchising**

- All areas should be given automatic rights to bus franchising powers, not just Mayoral Combined Authorities. The requirement for the Secretary of State for Transport's approval for non-Mayoral Combined Authorities for franchising is counter to the principles of devolution. Therefore, we are calling for the requirement for Secretary of State approval of bus franchising powers to be removed from the Bill, and for bus franchising decisions to be made locally.

#### **Advanced Quality Partnership and Enhance Partnership Schemes**

- Advanced Quality Partnership Schemes (AQP scheme) build on the existing Quality Partnership scheme arrangements. Under an AQP scheme, a local transport authority can introduce bus improvement measures when a scheme is introduced instead of being restricted to providing new infrastructure. We are supportive of the development and creation of new and existing partnership schemes. However, we want to ensure these schemes are a practical option for councils and sufficient support is provided by commercial bus operators.

#### **Open Data**

- We are supportive of the Bill's proposals on open data, which will provide more accurate door-to-door journey planning across England. It should lead to better information services that will make bus travel more attractive to local people.

#### **Other reforms, including funding**

- We would like the Government to pursue, in parallel with the Bill, other measures to promote bus services. This includes fully funding the national concessionary fares scheme, devolving Bus Service Operators Grant (BSOG) to all areas and implementing local authority enforcement powers for moving traffic violations. Supporting more councils to adopt Workplace Parking Levy schemes will also help to reduce congestion and attract an improved bus offer from operators.

**Briefing**

## **Further information on key clauses**

### *Bus Franchising Schemes (Clause 4-6)*

We are calling for all areas to be given automatic rights to bus franchising powers. Currently, the Bill states that only Mayoral Combined Authorities will have automatic access to franchising powers with no further input from central Government. The Government has indicated that for other areas franchising powers will only be granted to authorities where the capability and track-record of the authority concerned is sufficiently strong and where there is an appropriate economic geography.

The decision to gain responsibility for bus franchising should be taken locally, based on robust evidence, and taking into account the needs of passengers and local residents. The requirement for the Secretary of State's approval for non-Mayoral Combined Authorities for franchising is counter to the principles of devolution.

This Bill supports the devolution agreements that the Government has already signed with North East, Tees Valley, Liverpool City Region, Sheffield City Region, West Midlands, Greater Manchester, West of England Combined Authority, East Anglia Combined Authority and Greater Lincolnshire and Cornwall. These devolution agreements include a commitment to introduce a simpler route to bus franchising than currently exists.

As part of its recent devolution agreement Cornwall has been promised bus franchising without the need for a Mayor or Combined Authority status and, according to the Bill, should Cornwall wish to pursue franchising it will need to apply through the Secretary of State.

Whilst the LGA proposes that franchising be automatically available to all areas, should the Government not accept our proposed change then it is important that the Secretary of State be required to make public full details of their decision when either giving consent or denying an application for franchising.

### *Advanced Quality Partnership and Enhance Partnership Schemes (Clauses 1-3 and 9-15)*

Advanced Quality Partnership Schemes (AQP scheme) build on the existing Quality Partnership scheme arrangements. Under an AQP scheme, local transport authorities can introduce bus improvement measures when a scheme is introduced instead of being restricted to providing new infrastructure. It also broadens the categories of service standards which bus operators participating in a scheme must meet, including a requirement that multi-operator tickets are marketed and advertised in a clear and consistent manner by all operators in the scheme.

The LGA welcomes the development and creation of these new and existing partnership tools. It will enable councils to offer other measures such as parking or traffic management policies as well as, or instead of, facilities provided by them, such as bus lanes.

Currently, local transport authorities can enter into partnerships with local bus operators to improve bus services. Existing legislation enables LTAs and bus operators to enter into voluntary partnerships, which are not legally enforceable, and Quality Partnership Schemes, which are legally enforceable and require LTAs to provide new infrastructure as their contribution to the scheme. Partnerships can

be with a single or multiple operators.

The Enhanced Partnership facilitates better joint working between local transport authorities and bus operators. Enhanced Partnerships would enable partnership working to go further than a Quality Partnership scheme or Advanced Quality Partnership scheme by expanding the types of standards that partnership schemes can cover; specifically providing for more joined-up network planning; and allowing local implementation and enforcement of the scheme's requirements. It is intended that these powers will allow local transport authorities and operators to deliver some of the outcomes that would only otherwise be possible under a franchising model.

However, the authority can only adopt an Enhanced Partnership scheme if they have sufficient support from operators. What constitutes sufficient support will be set in secondary legislation. We anticipate that it will include both the absolute number of commercial bus operators and also their commercial market share.

It is important that the secondary legislation ensures that franchising is a practical option for councils and one that can be affordably and easily pursued by councils.

#### *Open Data (Clause 17)*

We are supportive of the Bill's proposals on open data, which will provide more accurate door-to-door journey planning across England. This should also give new opportunities for technology companies and app developers to deliver information services that will make bus travel more attractive to local people.

#### *Wider reforms to promote bus services*

##### *Municipal bus companies*

The Bill states that councils will no longer be able to form municipal bus companies. We are concerned that this removes powers granted to councils under the 2011 Localism Act and associated General Power of Competence Provisions. Councils should be continue to be allowed to form companies which are able to compete either in the open market place or for council contracts if they are able to offer a better service and value-for-money for bus users.

##### *Powers to reduce congestion*

Councils already do what they can to promote local bus services, including the creation and enforcement of bus priority lanes which help to ensure that bus services run reliably and on time, avoiding congestion. There are other measures that the Government can take to help councils reduce congestion in order to improve the punctuality of bus services. This includes giving councils powers to enforce moving traffic offences such as banned turns and yellow box junctions and enhanced powers to introduce lane rental schemes. Supporting more councils to adopt Workplace Parking Levy schemes will also help to reduce congestion and attract an improved bus offer from operators.

##### *Funding reforms*

As well as the wider measures above, we urge the Government to pursue, in parallel with the Bill, financial reforms to promote bus services. This includes fully funding the national concessionary fares scheme and devolving the Bus Services Operators Grant (BSOG), the vast majority of which currently goes directly to bus operators.