

# South Yorkshire Bus Review



Establishing a world class bus  
system in South Yorkshire



## Contents

Coronavirus	04
Introduction	08
 <b>South Yorkshire Bus Review</b>	
Summary of findings	10
The importance of buses	16
Approach to the review	28
Findings	34
The challenges	38
Recommendations	84
Annexes	94

## Coronavirus

After 12 months of working on our review of bus services in South Yorkshire, carried out on behalf of Mayor Dan Jarvis, we were just about to launch this report when the country was put in lockdown. In agreement with the Mayor, we concluded that it was appropriate to postpone the publication of our report given the seriousness of the Coronavirus crisis of the lockdown and the attention that people were rightly paying to the social isolation and distancing measures put in place by Government.

The pause in publication has given us an opportunity to observe and understand the initial social and economic impact of Coronavirus, and in particular how lockdown measures have affected bus services in South Yorkshire.

People have drastically reduced the amount they are travelling in compliance with lockdown measures. A decline in the number of people travelling by bus has been caused by a reduction in the number of people physically going to work, people working from home or workers being furloughed. Even after the easing of lockdown measures, workers are being encouraged to use other means of transport where possible to maintain social distancing on buses and trains.

As a result of reduced passenger numbers, there have been two clear impacts. The first is that the number of bus services being run has been significantly reduced, alongside a similar reduction in tram and rail services. Nevertheless, efforts have been made to ensure that vital services still run to enable key workers to get to work and this should be commended. Operators and trade unions have worked collaboratively to put in place hygiene measures that have kept passengers and drivers safe.

Reduction in the number of services has raised some concerns about the number of people travelling together at peak periods. The bus operators and the South Yorkshire Passenger Transport Executive (SYPTTE) have responded to demand and social distancing requirements by increasing services at particular times on specific routes. No doubt there will be a need to keep doing this as more businesses are re-opened and more people need to travel to work where they cannot work from home.

It is likely that bus operators will need to run more rather than less buses to ensure social distancing can be maintained onboard. Going forward the challenge will be to grow passenger numbers and increase services and bus numbers. As this happens, we should not simply wheel out of the garage older polluting vehicles but seek to replace them with new greener electric and hydrogen vehicles.

Even when businesses re-open and lockdown eases further there is not going to be a return to previous levels of patronage in the near future. Many people, particularly office workers are likely to continue working from home where possible for the foreseeable future. It is not known when students will physically return to schools, colleges and universities. There is also the likelihood that with concerns over social distancing, people who previously travelled by bus may now use their cars. Indeed, if there are fewer cars in general on the road that might make car travel more attractive in tandem with a slow return to the workplace.

The second impact of lockdown on the bus sector is a major reduction in operator revenue. Our review highlights that bus operator profitability was already challenged. The current situation has plunged them into further financial difficulty which has needed a £10 million Government bail out in the Sheffield City Region alone. There has also been £1 million provided to date for Supertram as well as financial support to the railways.

Further funding will be needed in some form to ensure bus companies are viable in the medium term at least. Despite the immediate reduction in people wanting or needing to travel by bus there will be an absolute need for bus services to continue for many people, including essential workers and others who are going to go to work in manufacturing, construction and other industries. The current situation only strengthens the case that the buses need to be seen as an essential public service. Finding a way forward to ensure our public transport system is fit for purpose in the future is not an option. It is a necessity.

It could be that a number of different factors, some conflicting, now come into play. At one level, the bus companies may not be commercially viable and that means they will need more public subsidy. If that is the case:

- Will public authorities want to hand over money to private companies to spend as they think appropriate bearing in mind the entrenched problems?
- Will there be an increasing desire for the public sector (the Mayoral Combined Authority and local authorities) to have a greater say in how they operate and how public money is spent?
- Will there be a greater demand for and commitment to franchising?



On the other hand, given the perilous state of many bus companies will the City Region and local authorities want to take on the greater risk of responsibility for franchising services when their own financial resources are limited. If the amount of money to be put in to keep basic services going is increased due to the fall in number of passengers, if franchising is to be adopted, will there be a rethink about the balance between franchising on the Transport for London model where all the financial risk is with the public sector? Or will there be a desire to revert back to how Transport for London originally began with the majority of the risk being with the private sector? Or could there be some balance between the two? In the difficult circumstances that exist in any of the scenarios, it is likely that more public money from government will still be needed.

Since this report was drafted, Coronavirus has affected all aspects of our way of life and certainly for the immediate future, major disruption to our transport systems are inevitable. As a result, we have modified the timescale for implementing some of the recommendations contained in our report. Who would have predicted Government telling people not to use public transport and the associated reduction in passenger loadings for those who have no alternative?

Yet there is optimism that in the longer term the massive changes in behaviour during the lockdown demonstrate our resourcefulness as a society to step up to challenges. This bodes well for an ability to tackle global challenges such as climate change and inequality and as our report has shown the provision of a good public transport system including buses will be a key factor to achieving solutions. The issues identified in our report may not be as acute while people continue to work from home and there are no leisure trips being made. However, they still exist and will need to be addressed.

We must not throw away the improvements in pollution and CO<sub>2</sub> emissions, which have come as a result of reduction in traffic. Efforts to encourage people to cycle to work more including Government investment are welcome however this should not just be part of response to the virus. There will still be a need to ensure that a good public transport service exists and works in harmony with active travel to discourage continued and increased car use. In particular, a good frequent and reliable bus network is available to stop the gains in NO<sub>2</sub> and CO<sub>2</sub> emissions being dissipated.

In spite of the current problems faced by bus operators, it may be that the Coronavirus crisis also offers an additional role for buses as part of a more flexible mix of travel opportunities. In particular, local authorities in the UK and around the world are planning 'Mobility as a Service' (MaaS) initiatives whereby people sign up for a package and guaranteed offer of travel provision comprising whatever mode is appropriate and available for their journey needs. In South Yorkshire a MaaS scheme could offer bus, tram, train, shared taxi, electric bikes, cycles, car hire, shared car or advice on walking routes. Such a MaaS scheme would depend on good quality public transport, shared real time information and supporting infrastructure - all proposed in this report.

In conclusion, we acknowledge that at present minds are rightly focused on ensuring vital bus services continue to run safely for both passengers and bus drivers. However, we also believe that the immediate hiatus caused by the crisis should be used as a challenge to move our bus and public transport forward to provide services to meet both passenger demand and the wider public good. While Coronavirus has undoubtedly brought many negatives to society, it has shown that change can happen quickly. Bus operators have been responsive and have introduced changes, such as fully cashless payment systems, that should be kept in place beyond the life of the lockdown and social distancing measures.

This is an opportunity to make necessary improvements to the bus system in South Yorkshire so that when life returns to a more familiar 'normal', our bus system is better, stronger and financially resilient so that it once again thrives and continues long into the future.

## Introduction

Buses are the backbone of Britain's public transport system. Every year in South Yorkshire buses enable people to connect with jobs, education, healthcare and leisure opportunities. Yet, our once highly thought of and well-used bus system is in decline and is not fit to meet the demands of the 21st Century. It is not supportive of the need for an inclusive, successful regional economy following the United Kingdom's departure from the European Union and it is not fulfilling its full potential in helping to tackle the climate emergency.



In my role as Member of Parliament for Sheffield South East, constituents are increasingly telling me that bus services in the region are not good enough. Buses don't turn up on time, they don't go where people need them to and sometimes, they don't turn up at all. More than anything people tell me they cannot rely on buses as part of their daily lives, including travelling to work. This is not acceptable and is the reason I accepted the Sheffield City Region Mayor Dan Jarvis' invitation to chair this important review.

A perfect storm of challenges faces South Yorkshire's bus system. The rise in vehicle ownership, increased congestion, deregulation and changes to the way we live and work have created a decline in patronage. This in turn undermines the economic sustainability of our bus network and sets in train a vicious spiral of decline. It is no surprise that regionally the number of trips by bus has fallen from 347 million in 1982/83 to 89.5 million in 2018/19. Not only have we seen decline in South Yorkshire following years as a leader in bus services, we are now falling way behind other city regions.

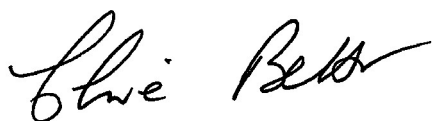
I fundamentally believe in making sure our bus system delivers a valued and world-class public service. It should play a critical role in reducing congestion and pollution, helping to tackle climate change and creating stronger links across the region for the benefit of its communities and its economy. Most of all we must improve access to opportunities for those who have no alternative but to rely on buses.

This is why this report deliberately sets out to assess bus services from a passenger perspective. This includes hearing from those people who do not currently choose to travel by bus. If we are to reverse the current trend of declining bus patronage, we need to incentivise far more people to see buses as an attractive method of transport. This is not about total modal shift but about modal choice, ensuring buses are the more obvious and logical choice for more of the journeys made in the region. As a starting point, passengers need to know that taking the bus will be reliable, easy to use and cost effective.



Locally the budget for supported bus services and concessions has declined more than any other metropolitan area. The amount of funding per head in London is £76; in Sheffield this is less than £5. This region needs stronger leadership and significant investment as a matter of urgency. Delay is not an option. This report sets out a range of short, medium and long recommendations for the improvement of the bus system in South Yorkshire, recognising that real change will take time, but that we must take immediate steps to prevent further decline.

I am grateful to my panel of Commissioners for supporting me throughout this review. Their national and international expertise in public transport has been invaluable and without it I would not have been able to complete this review to the same standard.

A handwritten signature in black ink, reading 'Clive Betts' in a cursive style.

Clive Betts MP

# Summary of findings

transport  
decade,  
by 23  
rated  
mate

emergency, rising congestion and declining air quality, there is an urgent need to ensure that buses are an attractive and affordable alternative to private vehicles. However, throughout this review, Commissioners have observed that the bus has not been playing the role it should do in tackling these critical issues.

Public consultation has been at heart of this review. Over 5,900 responses were received from residents (both bus users and non-bus users), community groups, businesses, organisations and interest groups about their experiences of the bus network. These provided rich evidence which helped Commissioners identify the following findings:

## Finding 1: Frequency



In many parts of South Yorkshire service frequency is poor or has fallen dramatically. This is a challenge for both users and non-users, particularly in rural communities and suburban estates where services are more commercially vulnerable. Under current regulations there are no requirements to provide certain services, and South Yorkshire Passenger Transport Executive (SYPTEx) confirmed that the number of bus miles operated across the network had fallen an average of 11.8% between 2009/10 and 2016/17. As a result, passengers described how they are socially isolated, forced to use a car or taxis, particularly where services have been reduced or cut at evenings and weekends. Operators suggested that the reductions in services are due to falling demand caused by increasing car ownership and changes in lifestyle and retail, but frequency is undermined by the reliability of their services.

## Finding 2: Reliability



The South Yorkshire bus network experiences significant reliability issues. Over 60% of respondents to the review's survey said they were either dissatisfied or very dissatisfied with bus reliability across South Yorkshire. Stakeholders highlighted that the reliability of bus services is one of the main causes of bus patronage decline, and passengers said they cannot rely on buses because they do not turn up, are already full, and are often late. This has an adverse impact on their lives including being late for work or education and waiting for long periods of time at bus stops. Rising levels of congestion due to the number of vehicles on the roads, declining journey speeds and long boarding, were cited as the main causes of poor reliability. Despite parking in bus lanes being cited as one of the main causes of delays, evidence showed that, even when bus priority measures were introduced, they were not enforced.



### Finding 3: **Climate Change**

Buses need to play a bigger role in reducing local road transport emissions and tackling climate change. In South Yorkshire, local road transport contributes 36% of all CO<sub>2</sub> emissions. Although the target for a net-zero emissions public transport network must be achieved by 2035, Commissioners found that not enough was being done to encourage modal shift and incentivise people to use buses for more journeys and on a regular basis. Evidence provided by SYPTA showed that only 30.3% of the bus fleet in South Yorkshire is currently Euro 6 compliant and there are only 36 electric buses in operation in the region - all based in Sheffield. Stakeholders perceived that the four local authorities adopt 'pro-car' policies when considering regeneration schemes, including the proposed Clean Air Zone (CAZ) in Sheffield, despite having all declared a climate emergency.



### Finding 4: **Policy alignment**

Despite the National Planning Policy Framework stipulating that new commercial and residential developments must be accessible by public transport, the review has found that many have limited or no bus service because it has not been considered as part of relevant, associated policy areas. In practice this has meant that public transport has not been effectively integrated into major new regeneration developments across the region. The decentralisation of employment has made it difficult to maintain a viable, sustainable and reliable bus network and, as a consequence, stakeholders told us that this has restricted where they can live, work and the type of opportunities they can access.



## Finding 5: **Connectivity**

There is poor connectivity between parts of the South Yorkshire bus network and with other modes of transport. While many bus services link large urban centres, they do not provide connectivity between smaller towns and villages, and there are parts of the region which are no longer served by buses. Stakeholders gave examples of four mile journeys that can require three changes and hourly bus services that arrive after hourly train services, connecting them to nearby towns and cities, have departed. As a result, residents face increased social isolation or are forced to use private vehicles for both cost benefits and convenience.



## Finding 6: **Service changes**

Despite bus partnerships stipulating that changes to bus services are only made once a year, in reality passengers can experience amendments to services on a more regular basis. Passengers cited examples of some bus routes that have been discontinued or re-routed without sufficient communication and there is a lack of meaningful consultation by SYPTE and operators as part of the service change process. Passengers who are solely reliant on bus services are particularly vulnerable to changes and cuts to services, and as a result they can experience life-changing consequences. User groups highlighted the distress and confusion that service changes cause passengers, particularly the disabled community who pay a premium to rely on taxis and community transport to access necessary appointments.

## Finding 7: Ticketing



Passengers are presented with an overwhelming number of different ticket options, but a limited amount of information about which of them offer the best value for money, especially where they need to accommodate for more flexible working patterns. Although bus fares in South Yorkshire can be more affordable than in other parts of the country, passengers would like to get on board the first bus that turns up and they often travel across local authority borders. Passengers have to pay a premium for tickets that do not restrict them to specific operators and allow them to travel in multiple fare zones. Commissioners found that contactless technology and better promotion of cashless or off-board ticket purchasing could help to speed up boarding and journey times.

## Finding 8: Quality and Accessibility



The standard of the bus network across South Yorkshire is variable and the quality of vehicles can differ between local authorities and bus operators. Passengers highlighted the differences in on-board technology (such as Wi-Fi, USB charging and contactless technology), as well as the physical condition of the fleet including its branding and the age of the bus. Commissioners observed that the average age of the fleet across all four South Yorkshire local authorities is 9.4 years old (2019), higher than the English average of 7.7 years old (2017/18). Vehicle accessibility for disabled passengers is not consistent, not all vehicles are fitted with audio and visual information, and many still have ramps that need to be manually deployed. The bus network in South Yorkshire must be safe and secure for all passengers.

**These eight findings are on their own not the causes of patronage decline. However they, the wider evidence and the literature highlighted that there are systemic challenges that must be addressed in order to improve the bus network. These are:**



## Insufficient funding

Funding for the bus network in South Yorkshire is woefully inadequate. Central Government funding for bus transport is not sufficient and not fairly distributed across the country. Campaign for Better Transport estimated that, in real terms, funding for bus services in England has fallen by over £162m (43%) since 2009/10. This figure resonates with South Yorkshire, where SYPTE's budget has declined by 40% in real terms over the same period, with a 39% cut in funding for support services during this time. Despite this, the four local authorities stated that no additional investment would be made from current budget allocations. While Commissioners are sympathetic to the impact of continuous local government funding cuts, the review found that having an arms-length body (SYPTE) has let local authorities avoid making decisions about bus services and has allowed them to shy away from responsibility.

## Lack of leadership

Commissioners observed that bus transport leadership in South Yorkshire is weak and there is a lack of ownership taken for improving bus services. Responsibility currently rests with several different authorities: bus operators, SYPTE, local authorities, and the Sheffield City Region (SCR) Executive team. The review highlighted concerns about SYPTE's leadership of bus partnerships, as well as their poor approach to handling and resolving customer complaints about service changes. Most significantly, evidence shows that the relationship between the Sheffield Bus Partnership, Sheffield City Council and bus operators has almost completely broken down. The review found that there were too many layers of regional leadership without the leverage and power to be able to deliver real change, however there is now the opportunity for single leadership following the election of Sheffield City Region Mayor and progress towards an agreed devolution deal with Government.

## Lack of accountability

The review found that there is a lack of accountability held by SYPTE in monitoring the contracts it administers for tendered bus services and does not hold operators to account for delivering quality services and maintaining partnership agreements such as frequency of service changes. Evidence showed that since taking up their contracts bus operators, including First South Yorkshire, have been allowed to change bus services without sufficient consultation with passengers or elected representatives. Poor punctuality and reliability of tendered services have not been penalised, and Commissioners heard that there has been a lack of efficient and effective remedial action taken by SYPTE through contract management. The review also found that unlike other comparable city regions, SYPTE does not report formally to the Mayor or Mayoral Combined Authority (MCA) despite delivering statutory responsibilities on their behalf.

1. *Journal of the American Medical Association*, 1997; 277: 1001-1005.

They provide a flexible and cost-effective way of connecting people to opportunities and in a fully integrated system, they are an important component of the overall transport network. When people take the bus, they may do so because they have no other option or because they prefer the bus over other available alternatives.

Buses are important to society in three key ways:

- 1. They keep the wheels of the regional economy moving.**  
Well-designed bus networks can enhance people's access to employment and other opportunities, ensuring that the benefits of economic growth can be more fairly distributed.
- 2. They can help the transition towards a zero-carbon future.**  
By reducing the need for individual car use, overall CO<sub>2</sub> emissions are lower in places where public transport ridership is higher.
- 3. They provide opportunities for people.**  
In rural areas they can provide an essential lifeline. Everywhere, they connect communities and promote social interaction.

## Buses for economic growth

South Yorkshire has a strong history of industrial innovation, manufacturing, technological development and engineering - these are both the legacy of the area's past but also its strengths for the future. The decline of steel and coal industries in the late 1970s and early 1980s hit the regional economy hard. By 1984 unemployment stood at 16% and in Sheffield alone employment in the manufacturing industry had fallen by 50%.

The benefits of recent economic growth in South Yorkshire have not been felt evenly by the population and significant inequality remains with economic and social deprivation widening<sup>1</sup>. Employment in the Sheffield City Region is weighted more towards lower skilled occupations; a third of all employment is in the four sectors most strongly associated with in-work poverty: wholesale and retail, accommodation and food, administrative and support services, and residential care. On average, full-time workers in the Sheffield City Region receive £57 less in gross weekly pay than the national average.

The Sheffield City Region Transport Strategy, published in April 2019, highlights the negative impact that transport congestion is having on the economy by restricting growth and potentially curbing future productivity without immediate intervention. In addition, the strategy also highlighted that gaps in connectivity could further limit access to employment, labour, and higher value jobs<sup>2</sup>.

<sup>1</sup>First report of the UK2070 Commission, May 2019

<sup>2</sup>Sheffield City Region Transport Strategy 2019

National research shows that strong, reliable bus network is integral to inclusive economic growth and prosperity of towns, cities and regional areas<sup>3</sup>. The 2018 Joseph Rowntree Foundation report, examined this in detail, concluding that transport issues such as reliability and affordability are “intimately related to the nature and location of employment”<sup>4</sup>.

The polycentric geography of the Sheffield City Region makes good transport connectivity key to achieving inclusive and sustainable economic growth. The region’s public transport system needs to be accessible, affordable, integrated and provide seamless travel throughout the whole region and to neighbouring centres for the benefit of residents and business.

Conversely, this review has found that public transport in South Yorkshire is often seen as something which constrains rather than enables travel to work. So, improving public transport and bus services in particular is vital if the ambitions to improve the economy in the city region are to be met.

<sup>3</sup>See for example Mackie, Laird and Johnson (2012) *Buses and Economic Growth*, Institute for Transport Studies, University of Leeds. Report for Greener Journeys

<sup>4</sup>[www.jrf.org.uk/report/tackling-transport-related-barriers-employment-low-income-neighbourhoods](http://www.jrf.org.uk/report/tackling-transport-related-barriers-employment-low-income-neighbourhoods)

## Buses for the environment

South Yorkshire faces significant air quality issues with 28 Air Quality Management Areas (AQMAs) across South Yorkshire. In Sheffield there are 51 separate locations where the European Union's annual average limit value for NO<sub>2</sub> (40µg/ m<sup>3</sup>) has been exceeded in one or more of the three-year periods (2010-2012). Analysis indicates that road transport is the single most significant contributor to Sheffield's NO<sub>2</sub> emissions at these locations<sup>5</sup>. NO<sub>2</sub> and particulates have significant impacts on people's health and those living alongside main roads are more likely to suffer from a range of health problems.

Alongside air quality there is a wider issue of responding to the climate emergency. Most of the energy that is consumed in South Yorkshire is produced from fossil fuels with petrol and diesel dominating the transport sector and the vast majority of the bus fleet in South Yorkshire still powered by diesel engines. The Sheffield City Region energy strategy, due to be published in 2020, makes clear the role of transport in supporting the region's transition to a low carbon economy. This includes moving to a zero-carbon public transport network by 2035, something that will take much greater investment in zero emission vehicles which recent Government announcements recognise. The current move to Euro 6 standard buses helps tackle NO<sub>2</sub> and particulate pollution but does nothing to resolve the longer-term challenge of climate change. Indeed, a commitment to net-zero carbon will require phasing out of Euro 6 buses within 10 years' time.

Public transport, and especially buses, should play an essential role in the cohesiveness of metropolitan transport systems in a way that encourages cleaner, greener, productive and inclusive ways of living and working. In the Sheffield City Region, half of all trips under 2km are made by car; more worryingly a quarter of trips under 500m are also made by car. For many people short and medium length journeys could feasibly be made by walking, cycling or bus.

A double decker bus can take up to 75 cars off the road<sup>7</sup> and a high-quality bus network can also play a role in incentivising modal shift away from private vehicles and therefore reduce car use, decrease congestion, reduce emissions and improve air quality.

<sup>5</sup>SCR Draft energy strategy

<sup>6</sup>The sixth incarnation of the Euro emissions standard was introduced by the European Union in September 2015. For diesels, the permitted level of NO<sub>x</sub> has been decreased from 0.18g/km in Euro 5 to 0.08g/km.

<sup>7</sup>[greenerjourneys.com/wp-content/uploads/2017/04/Improving-Air-Quality-in-Towns-and-Cities-PROF-DAVID-BEGG-Final.pdf](https://greenerjourneys.com/wp-content/uploads/2017/04/Improving-Air-Quality-in-Towns-and-Cities-PROF-DAVID-BEGG-Final.pdf)

## Buses for people

A study carried out by the Government Office for Science<sup>8</sup> found a correlation between social disadvantage and physical mobility inequalities because public transport can be a barrier to employment, can reduce access to education and training opportunities or be prohibitive due to cost. This means some social groups are more at risk from mobility and accessibility inequalities, particularly low-income households, children and the elderly. Poor bus services can also disproportionately affect women who tend to use buses more than men.

According to the Social Mobility Commission, all of the four local authorities in South Yorkshire are in the bottom half of the social mobility index, which uses a range of 16 indicators for every life stage to compare life chances of disadvantaged children going on to secure a good job<sup>9</sup>. Barnsley and Doncaster are two of the least socially mobile places in the country, ranking 291st and 294th out of 324 on the index respectively.

The Office for Science study also concluded that inequalities in mobility can result in, reinforce or contribute to social isolation. Research carried out by the transport group *Greener Journeys* highlights the important role buses play in providing access to social activities and essential services that and the important role buses have in facilitating social interactions, particularly for those groups who may be more likely to experience loneliness.

This review has found evidence which confirms the negative impact that poor bus services can have on people's lives in South Yorkshire. For example, Commissioners heard from people who reported that they had lost jobs, missed education opportunities, or were simply not able to travel to employment opportunities - all because services had been cut and they were left with no alternative methods of transport.

Action to improve skills and education together with a more coordinated and strategic approach to planning will be important elements in tackling inequalities in the region. Better public transport will also need to play its part. Going forward it is vital that buses in South Yorkshire play a pivotal role in addressing existing regional inequality by providing low cost, reliable and frequent services that connect people to employment, education and social opportunities - regardless of their background.

<sup>8</sup>[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/784685/future\\_of\\_mobility\\_access.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/784685/future_of_mobility_access.pdf)

<sup>9</sup>Social Mobility Commission 29107) Social Mobility Index 2017. Available at <https://www.gov.uk/government/publications/social-mobility-index-2017-data>

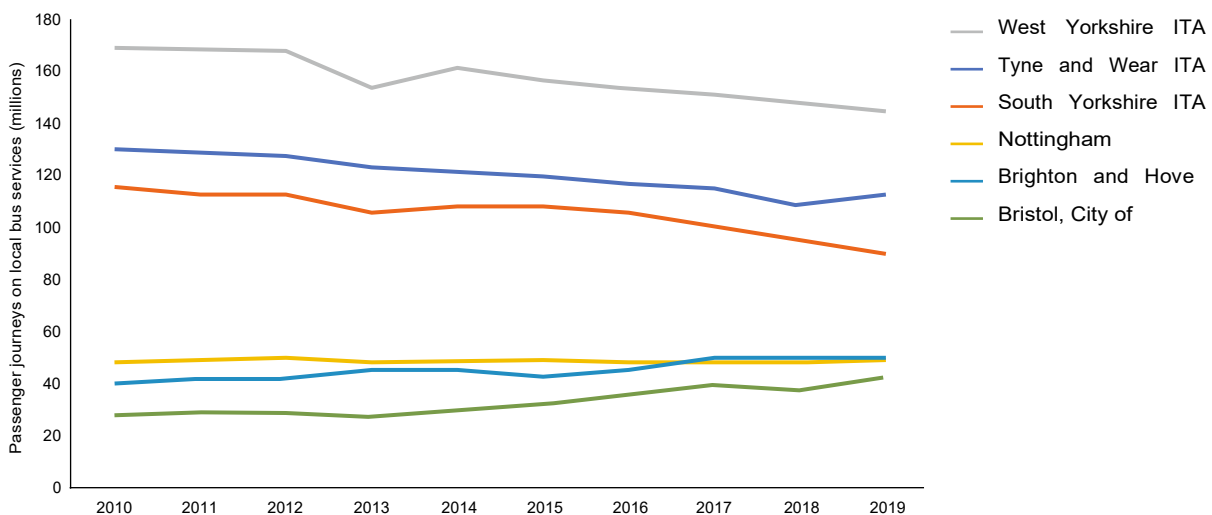
<sup>10</sup><https://greenerjourneys.com/news/britons-urged-to-get-the-bus-and-talk-more-as-new-research-reveals-that-more-than-one-in-10-people-feel-lonely-every-day>



## The problem: declining bus use

Despite the important role that buses need to play, passenger numbers are in decline and passenger journeys in South Yorkshire have fallen from over 115 million in 2009/10 to less than 92 million in 2018/19 - a fall of 21% in a decade<sup>11</sup>. This trend looks set to continue unless urgent action is taken and declining patronage undermines the commercial viability of the bus network.

**Passenger journeys on local bus services by local authority**



Source: DfT table Bus 0109a

As the graph shows, South Yorkshire is far from alone among large metropolitan bus markets in experiencing a long run of decline. But the decline in South Yorkshire has been steeper than many comparable areas. In Tyne and Wear, where there has been a recent increase in bus use, the decline over the same period was around 14%, whilst in West Yorkshire the decline was around 15%.

Passengers switching to tram or Light Rail Transport (LRT) does not explain the decline: in both Tyne and Wear and South Yorkshire where there are established LRT systems, the decline in LRT passenger numbers was 11% and 19% respectively - the only such systems in England to record patronage declines over this period. Highly disruptive track renewal work on the Sheffield Supertram network in recent years accounted for a small increase in bus use in South Yorkshire but the overall trend has been one of continuous decline in public transport patronage.

<sup>11</sup>DfT Local Bus Passenger Journeys, 2008/09 to 2018/19

<sup>12</sup>DfT Light Rail and Tram Statistics, 2008/09 to 2018/19

Locally, patronage decline has been most significant among English National Concessionary Travel Scheme (ENCTS) pass holders. Between 2009/10 and 2018/19 ENCTS patronage declined by 31% and has accounted for 47% of combined patronage decline (including fare paying, child and ENCTS passengers).

SY Bus Patronage	2009/2010 (million)	2018/2019 (million)	Change (million)	Change
Total	115.8	92.0	-23.8	-21%
ENCTS	36.3	25.0	-11.3	-31%
Fare-paying and child	79.5	67.0	-12.5	-16%

Source: SYPTE

ENCTS decline has largely been driven by local and national changes to pass restrictions but also increased ownership of private vehicles by older people. National policy has sought to harmonise ENCTS eligibility rules with state pension age (which by October 2020 will be 66 years) and, consequently, the size of the ENCTS market has reduced. Local ENCTS enhancements such as extended hours of pass acceptance on board buses have been removed by SYPTE due to reductions in concessionary fare budgets.

In addition, the Government has not provided the necessary level of funding to transport authorities including SYPTE to reflect the cost of concessionary travel, which has added to the financial burdens on SYPTE and bus operators. Combined, this has created a significant exit from the bus network of passengers who have been using services which were on the cusp of viability.

One third (33%) of bus users responding to the review's survey said they travelled less by bus now than they did 5 years ago, and over one fifth (22%) said they travelled less than they did 1 year ago. Research by the Urban Transport Group<sup>13</sup> identifies that between 1981 and 2011 the modal share of buses for commuting in Sheffield fell by the largest amount of any area in England- indicating that the erosion of the city's historically strong pro-bus policies (such as simple fare structures, an extensive network and high frequency services) has eroded a culture of bus use.

<sup>13</sup><http://www.urbantransportgroup.org/resources/types/reports/what-scope-boosting-bus-use-analysis-intrinsic-bus-potential-local-authority>

“Not only will [continued decline] make it difficult for those who use the bus the most—and particularly those who, for economic, social or health reasons, have no alternative—it will have both economic and environmental impacts”<sup>14</sup>

- Transport Select Committee.

Historically, buses were considered the best value for money mode of transport. This position has been seriously challenged by the increased affordability and convenience of private vehicle ownership. A recent report by the UK2070 Commission highlighted that between 1980 and 2014 the cost of public transport (on buses) rose by 58% while the cost of motoring fell by 14%.<sup>15</sup>

According to the 2011 Census, 71% of residents in the SCR travel to work by car while only 9% use the bus. There is a growing social divide between those people who have their own vehicle and those who cannot afford car ownership, whilst negative perceptions of travelling by bus transport grow. A survey carried out by YouGov in 2019 revealed that 47% of the UK population have an unfavourable view of travelling by bus. By comparison 73% of people have a favourable view of travelling by car (as a driver).<sup>16</sup>

Regionally transformative social and economic changes that alter the way people lead their lives and the journeys they make have also contributed to patronage decline, such as:

- a rise in relatively low paid jobs being created at large out of town distribution centres and business parks, especially those close to motorway junctions - such as Capitol Park (Barnsley), Smithywood (Sheffield), Hellaby Industrial Estate (Rotherham) and the iPort (Doncaster). These sites are comparatively difficult to access by public transport and lead to an increased reliance on private vehicles;
- more greenfield and large-scale suburban housing developments, such as the DN7 site in Doncaster and the Waverley development in Rotherham. These housing estates are poorly served by public transport and pedestrian infrastructure, and arguably push residents towards greater car reliance; and
- changes to employment contracts such as flexible working and a rise in zero-hour contracts which create uncertainty for workers and make public transport journeys unpredictable and costly.

<sup>14</sup><https://publications.parliament.uk/pa/cm201719/cmselect/cmtrans/1425/1425.pdf>

<sup>15</sup><http://uk2070.org.uk/wp-content/uploads/2020/02/UK2070-EXEC-SUMMARY-FINAL-REPORT.pdf>

<sup>16</sup><https://yougov.co.uk/topics/transport/articles-reports/2019/02/07/half-brits-dont-taking-bus>

## The context: past, present and future

### The rise of bus services

Through the 1970s and early 1980s South Yorkshire bus transport was highly regarded as the best system in the country due to its low fares and innovation. South Yorkshire County Council (formed in 1974) held responsibility for public transport and used its powers to heavily subsidise bus operating costs by up to 85%, meaning passengers could travel almost 24 hours a day for extremely low-cost fares. Sheffield was the first place to offer bendy buses and subsequently small, 'nipper' services to transport passengers across the city. There was also a fully electric trolley, a converted bus, which ran successfully in Doncaster outside Doncaster Racecourse for many years.

As a result, patronage increased by 7% between 1974 and 1984<sup>17</sup> - a stark contrast to widespread decline elsewhere across the country, indicating that low fares, innovation and investment in public transport can lead to growing patronage which bucks wider social and economic trends.

However, the introduction of the Transport Act 1985 fundamentally changed the way bus transport operated in England, including South Yorkshire. After many years of local authority control, the Act was a catalyst for mass deregulation of bus operations across England (except those in London) and the end of local authority control. As a result, an arms-length organisation, South Yorkshire Transport (SYT), was formed in 1986 and became the region's transport company. SYT only lasted until November 1993 when the Government forced a buyout of the business and it was sold to Mainline and rebranded.

### Bus market deregulation

Since deregulation and the changes made in 1993, South Yorkshire's bus system has become fragmented. The majority of bus services are run commercially by around half a dozen different private bus companies but with two large national bus operators dominating the market - First South Yorkshire and Stagecoach Yorkshire. Bus companies are not accountable to local politicians (including MPs) or SYPTE as the current regional transport authority. Bus operators make decisions about routes and services based largely on their judgement of financial viability and will make reductions where profitability becomes challenged. Although service changes are subject to limited public consultation, in reality councils and SYPTE have very limited ability to influence commercial decisions made by operators.

<sup>17</sup>Price, David (2008). "Blunkett and the Socialist Republic of South Yorkshire". *Sheffield Troublemakers*. Chichester: Phillimore & Co. Ltd. p. 152.

Overall the bus network is largely uncoordinated, with some service coordination on specific routes and corridors which have been agreed through bus partnerships.

Bus operators are not required to provide a comprehensive network under the Transport Act 1985. Whilst they are free to operate whatever services they believe they can run commercially; they have no obligation to - and are expressly prohibited from - cross-subsidising loss-making services from the profits accrued on their commercially operated services. This means whole routes or even evening and weekend sections of otherwise commercial routes can be withdrawn or reduced in frequency, irrespective of the level of profitability from the rest of the operator's network.

Voluntary bus partnerships between councils and bus operators were introduced progressively in each of the four local authority areas between 2012 and 2017 and are overseen by SYPTE. The model means some operational decisions (e.g. route changes) are taken in consultation between operators, local authorities, SYPTE, as well as the public where appropriate. The bus partnership approach does not extend to decisions on setting fares, and competition law can restrict operator cooperation even where there is willingness to collaborate for the benefit of passengers.

Only when services are not provided commercially can SYPTE or other public bodies intervene. Some services which are not commercially viable can be designated as socially necessary (for example those that serve rural or suburban areas or that operate during evening and weekends). These are paid for by councils but commissioned centrally by SYPTE following the Tendered Services Criteria Model on behalf of the four local authority areas. These are known as tendered or locally supported services. Contracts are awarded on a route by route basis and based solely on which bus operator offers the lowest cost. While there might be passenger need for tendered services to support commercial services on particular routes, for example by improving frequency or adding additional services during evenings and weekends, this is prohibited by legislation. Tendered services cannot be introduced on routes where they are deemed to compete with commercial services which makes offering sensible even interval services combined across commercial and tendered services along the main corridors even more difficult.

As well as standard bus routes, in each of the four South Yorkshire local authorities there are community transport operators who deliver much needed transport services (including 'dial a ride', transport to shopping locations and group travel) to people who may find it difficult to access the main public transport network due to age, geographic isolation or disability.

Services across the region are delivered under one brand, 'Door2Door' with Sheffield Community Transport is the lead operator subcontracting to other community transport operators across the region including:

- Barnsley 'Dial-a-Ride'
- Doncaster Community Transport
- Rotherham Community Transport
- Sheffield Community Transport
- Manor Community Transport
- Transport 17

Fares for community transport services are subsidised by local authorities (via a budget held by SYPTE) however they are always reviewed regularly and kept below the cost of equivalent taxi journeys.

Further details about the role of SYPTE including budget can be found at Annex A.

## Opportunities for change

### Devolution

The election of Dan Jarvis MBE as Sheffield City Region Mayor in May 2018 has brought a renewed focus on the region's public transport network. Within his first year, the Mayor launched a Vision for Transport, submitted a successful bid to the Government's Transforming Cities Fund for £166m of investment in transport and infrastructure, overseen publication of a detailed Transport Strategy, and launched this review. He has also lobbied Government for fairer geographic distribution and increased investment in major projects that support South Yorkshire's economic growth, including implementation of the recommendations of this review.

Progress towards devolution for the SCR has been agreed by all constituent members of the SCR Mayoral Combined Authority (MCA), although at the time of writing public consultation has not yet concluded and a deal has yet to be formally agreed with Government. It is anticipated that when agreed, devolution will bring an additional £30 million per year to the region and increased ability to leverage Government funding for public transport, some of which has been difficult to access or has been unavailable due to the unresolved position on regional devolution. Unlike other MCAs, the Transforming Cities Fund was not automatically allocated to the City Region due to the unresolved position on regional devolution. Instead, the SCR had to bid for funding by submitting business cases to the Department for Transport.

<sup>18</sup><https://www.thetimes.co.uk/article/give-us-the-tools-to-power-the-next-industrial-revolution-2jk3mn235>



The Conservative Party manifesto from the December 2019 election recognised the role that buses need to play in transforming towns and cities outside of London, such as those in South Yorkshire. On 6th February 2020 an announcement<sup>19</sup> was made by the Department for Transport (DfT) that builds on this and pledges investment in electric buses, demand responsive transport schemes and the creation of new Superbus networks to deliver low fare, high frequency services. The funding will be distributed through local authorities although it should be noted that the Superbus fund requires successful applicants to establish an Enhanced Partnership for the geography of the network improvements. There was also an announcement that £5 billion on funding would be available to pay for active travel and bus improvements but without confirmation as to how it would be distributed. Following this review, South Yorkshire needs to be in a position to take full advantage of all new funding streams available and deploy money efficiently in order to deliver greatest benefits for passengers.

### Bus Services Act 2017

Even without an agreed devolution deal, the SCR MCA has the authority to make decisions about bus services including whether to make use of new powers available through the Bus Services Act 2017 (“the Act”). The Act gives MCAs the opportunity to access bus devolution powers (franchising), enter Enhanced Partnerships or upgrade existing statutory quality partnerships to Advanced Quality Partnerships. A voluntary partnerships approach is currently in operation in the SCR; the Act would allow these to be statutorily upgraded and facilitate more co-operation between operators and the MCA on fares, ticketing and service planning.

Franchising allows local and combined authorities to take control of bus networks - including deciding where and when buses operate and setting the vehicle and customer service standards. It also gives control over ticketing and fare structures. Under a franchised system, bus operators provide services under either gross or net cost contract to the local/combined authority. No other services can operate in the franchised area without the Combined Authority’s consent.

A comparison of the different bus operating models can be found at Annex B.

<sup>19</sup><https://www.gov.uk/government/publications/a-better-deal-for-bus-users>

# Approach to the review



## Commissioners

The review has been chaired independently by Clive Betts, Member of Parliament for Sheffield South East. At the beginning of the review process, a panel of commissioners were appointed by the Chair<sup>20</sup> on the basis of their relevant experience and expertise in the transport sector:

- Dawn Badminton-Capps
- Kris Beuret OBE
- Lily Currie
- Martin Mayer
- Peter Kennan
- Stephen Joseph OBE

Biographies for Commissioners can be found at Annex C.

## Geographical focus

The focus of this review has been on South Yorkshire because the four local authorities (Barnsley, Doncaster, Rotherham and Sheffield) are the constituent members of the SCR MCA.

## Key lines of enquiry

Commissioners committed to provide the SCR Mayor with an independent assessment of:

- The current condition of the commercial bus and community transport sector in South Yorkshire, including the reasons for the decline in both registered bus services and bus passenger numbers
- The social, environmental and economic impacts of the decline in bus services and passenger numbers
- The steps which should be taken to ensure commercial bus and community transport services meet the needs of South Yorkshire residents.

A copy of the review's Terms of Reference can be found at Annex D.

<sup>20</sup> Commissioners were not paid for their involvement in the review but were able to claim travel and subsistence expenses for their attendance on visits and at panel meetings

The review has gathered a wide range of evidence to ensure that the panel could base their work on the latest research, data analysis, and the views and experiences of bus users and non-bus users. To support this approach, key lines of enquiry were determined before fieldwork began and included:

- The reliability and frequency of bus services
- Trends in bus use
- The provision of bus services in the four local authority areas as well as different types of community
- The 'quality' of services with an emphasis on the bus user experience
- The relationship between the bus system and other modes of transport and travel such as the tram network and active travel
- The environmental impact that buses can have on congestion, pollution and air quality
- The commercial operation of the bus sector including the responsibilities of bus operators, strategic planning and regulatory matters
- Adequacy of funding and best approaches to securing future investment in the sector and ensuring sustainability
- What can be learnt from other towns, cities and/or city regions about any of the review's key lines of enquiry.

The review identified several different challenges with bus use, which arise from the above themes. These are:

- Reliability of scheduled bus services
- Availability of bus services
- Connectivity between bus services and with other modes
- Complexity, especially of ticket options
- Stability of timetables and routes
- Consistency in the passenger experience
- Environmental emissions
- Strategic planning of transport and land use

Whilst these categories and themes frame the options for action to improve the bus network, the literature and broader review undertaken also suggests that the following three systemic challenges must be addressed:

1. Funding
2. Leadership
3. Accountability

The data analysis provided a regionally focused assessment of bus service frequency and reliability (based on bus operator real time data) set against the social and economic context of the places served.

#### Baseline research

The panel commissioned baseline research from Sheffield Hallam University's Centre for Regional and Economic Social Research (CRESR) and the Open Data Institute (ODI) Leeds. The baseline comprised a review of research evidence and literature as well as statistical data analysis which supported the formation of the review's findings and recommendations and are referenced throughout this report. The evidence and literature review examined recent relevant policy and research reports according to five themes which underpin bus use:

- **Spatial development:** the role of land-use patterns especially for jobs and houses in determining the demands for travel and how these can be met
- **Social change:** the role of changes in society and the way we live determine our use of, and attitudes toward, public transport
- **Policy:** the extent to which policies for different areas of public services (e.g. health care, education and housing) are coordinated with transport policy
- **Regulation:** the way that local bus markets are funded and regulated
- **Technical:** how technical improvements such as to vehicle design, highways and ticketing technologies can improve bus user experience

## Consultation

Public consultation has been at heart of this review to ensure a wide range of views to inform Commissioner findings and recommendations. A public survey was published online between 24th May and 18th October 2019. Paper copies of the survey were available in transport interchanges, with free postage paid envelopes also provided. The survey was advertised online, predominantly through targeted social media and on-board bus fleet. In total, over 5,900 valid responses were received from residents, community groups, businesses, organisations and interest groups and provided the review with useful intelligence on the attitudes of bus users but also crucially non-bus users about the regional bus network.

A significant amount of stakeholder engagement has been conducted as a means of gathering evidence for the review. This has included meetings with representative organisations, holding community focus group sessions and individual drop in sessions. A list of organisations engaged during the review can be found at Annex E.

The panel invited written submissions from people and organisations who would be able to provide more formal evidence and written responses to the review's key lines of enquiry. Responders (including SYPTE, the bus operators, Transport for London and unions) then met with commissioners to discuss their submission in more detail at private panel meetings and one public evidence session held on Friday 11th October 2019.



## Visits to other towns and cities

The panel have undertaken visits to Brighton, Bristol, Reading and Scarborough to examine different models of bus operation and identify innovative ways to increase bus patronage, encourage modal shift, and enhance bus partnerships so that they are better integrated with local transport systems. Representatives from Nottingham City Travel, Transport for Tyne and Wear, Transport for London and Merseytravel (Liverpool City Region) attended meetings with the panel to share their experiences and lessons learned.

Further information from each of the visits undertaken can be found at Annex F.

# Findings

The findings section provides the Commissioner's assessment of the current bus system in South Yorkshire.



It considers the evidence received through the review and presents three areas of good practice before outlining eight key challenges. Responses to the survey have been used throughout this report to support findings. Quotes have been selected on the basis that they are representative and supportive of the evidence received through the survey but also other methods of consultation. Commissioners felt it important to highlight good practice that can be built on in order to help arrest patronage decline, however they also concluded that there is simply not enough good practice and it is far outweighed by the challenges facing the sector.

## Good practice

**TravelMaster is regarded as a successful ticketing scheme, offering passengers good value for money and is a good example of partnership between operators.**

TravelMaster is one of the most advanced multi-modal integrated smart ticketing schemes in the UK outside of London. It offers a range of tickets for the South Yorkshire region and over 17 million journeys are made each year, 16 million of which are with a TravelMaster Smart Card rather than paper tickets. Commissioners heard positive feedback about the TravelMaster ticketing scheme and the value for money that this offers passengers who travel across the region and/or by different modes of transport on a regular basis. Evidence collected by TravelMaster shows that customers choose the TravelMaster ticket over single operator products when it comes to seven day tickets; particularly in Sheffield. Although this could be because multiple operators provide services on bus routes in Sheffield.

The review also found that, in contrast to concerns about individual bus partnerships, TravelMaster is a good example of public transport providers working collaboratively for the benefit of passengers. It should be noted that TravelMaster is entirely governed by commercial operators and therefore the MCA would have no ability to influence products, pricing or policy decisions made. Similar ticket offers from individual operators are cheaper than TravelMaster therefore passengers who only travel by bus but with more than one operator are paying a premium for flexibility.

**Express services receive positive feedback from passengers and operators and there is support for more services to be introduced which would potentially speed up and simplify journeys.**

While extensive negative feedback was received about many bus services across the region, residents gave positive feedback about express bus services that link larger urban centres such as Maltby, Rotherham, Chesterfield, Meadowhall and Sheffield City Centre. These are often faster because they serve limited stops and are better enabled by bus priority measures. Responses to the public survey indicate that there is passenger demand for express services to be:

- **Extended** - for example the X10 which the review heard does not always accommodate passenger demand and no longer serves Rotherham Hospital making it difficult for both patients and staff;
- **Reinstated** - where they have been cancelled or greatly reduced, such as the X7 which now operates three times in the morning and three times in the evening Monday to Friday; and
- **Increased** - so that additional services and routes are provided where there is demand

“We need an express limited stop bus for outlying districts like  
Bradway...for me, an express service from Stocksbridge/  
Deepcar into the city”

In their evidence submission, Stagecoach Yorkshire also reported favourably about express routes, noting that *“despite the decline, growth has been experienced on a number of routes, particularly long distance and faster services with the X10 Barnsley - Leeds [patronage] increasing by 22%, the X17 Chesterfield - Barnsley increasing by 6%.”* While First South Yorkshire did not comment specifically on the performance of express routes, their evidence did recognise that increasing bus patronage in the region required *“a strengthened focus on driving demand growth, especially to/from Sheffield City Centre”*.

**First South Yorkshire and Stagecoach Yorkshire (the two largest bus operators) have proactively launched their own initiatives in order to improve the quality of bus services and increase passenger numbers.**

The two main operators in South Yorkshire are facing significant commercial challenges and are operating in a difficult commercial environment with the bus market in South Yorkshire declining steeply. Despite this, Commissioners identified specific operator initiatives that offer customers better value for money and improve the quality of services. This included specific Stagecoach Yorkshire fare offers, most notably:

- “5 for a fiver<sup>21</sup>” which Barnsley Council praised as a way of ensuring families and groups can travel for relatively low cost
- 50% bus travel discount for jobseekers
- The “Silver Dayrider” ticket which allows adults to travel all day across South Yorkshire and as far as Chesterfield, Derbyshire, Pontefract and Wakefield. This ticket is only partially available on some of the express services and passengers reported some confusion about ticket validity, despite it being introduced to reduce complexity.

First South Yorkshire have also made attempts to simplify ticketing with investment in digital technology and the roll out of an ‘oyster style’ fare capping trial in Doncaster. The trial uses contactless payments to cap travel charges. Customers receive a £2 flat fare and never pay more than £4.70 per day or £16.50 per week regardless of the number of journeys they make. The trial is currently limited to Doncaster and only applies to journeys made within the Doncaster boundary. Commissioners recommend that if successful, the initiative should be rolled out across South Yorkshire at the earliest opportunity while also considering how the system can be integrated with other bus operators.

Passengers also provided positive feedback for the increased attempts to provide real time information on services via smartphone apps and operator websites. However, they also voiced their frustration that ‘live’ information about all bus services operating within the South Yorkshire network is not available in one place and not provided in conjunction with information about other modes of transport.

First South Yorkshire have also recently made improvements to their operations that are intended to improve reliability and there are early signs that these are working. Commissioners welcome the individual attempts to improve bus service quality, especially where they offer customers an improved experience. They also conclude that individually the initiatives are too piecemeal and need to be replicated across the bus system in order to achieve the required wholesale improvements.

<sup>21</sup>“5 for a fiver” was an initiative run by Stagecoach Yorkshire in 2019 that allowed groups of between two and five people to travel on most Stagecoach buses across South Yorkshire (and West Yorkshire and the Chesterfield area) over the summer holiday period for £5

# The challenges





**Finding 1: While many bus routes across the region still experience high levels of service frequency, particularly those which serve main corridors, in other parts of the region bus service frequency has fallen dramatically or even withdrawn altogether.**

The review found that this was particularly a problem in rural communities and suburban estates where services can be more commercially vulnerable due to lower passenger numbers.

“The bus service here is at best hourly, expensive for occasional journeys, connects poorly, goes to the wrong part of town and is unreliable. Car is cheaper even after running costs and parking, quicker and more flexible. Frequency is the greatest barrier.”

A petition group based in Chapeltown told the review that the direct service from Chapeltown to Meadowhall had been withdrawn meaning the journey now required passengers to get two buses - the second of which was every 30 minutes. (A local train service is available directly between Chapeltown and Meadowhall which takes 5 minutes. However, the group raised concerns about additional cost at peak times, platform accessibility, overcrowding on peak time trains and the high number of pacer trains still used on the route which have step access.)

Commissioners examined the relationship between patronage and frequency. Evidence submitted by SYPTE showed that alongside decline in patronage, the number of bus miles operated has fallen across the region by an average of 11.8% between 2009/10 and 2016/17. Operators reported that reductions are made due to falling demand caused by factors such as increases in car ownership, change in lifestyle and online retail. Conversely there is also evidence that where demand has increased, operators have increased frequency to meet passenger need.

The review also recognised that there is spiral of decline created by reducing frequency when services are operated based on financial viability as this response to the survey illustrates:

“Isolating people like myself means we’re using the buses less and less, which is then translated into ‘no demand’ when planning timetables.”

Weekend and evening bus frequency was also reported as a problem for bus users, even on the routes with usually higher frequency. Commissioners noted that in other cities (Brighton, Bristol, Reading, Nottingham, Leeds) night buses are provided commercially by operators.

“Sunday and evening services have been dramatically cut. They may be “uneconomic” but if you can’t use the bus in the evenings and Sundays, public transport becomes much less attractive to use as an alternative to the car. It is shocking that a city the size of Sheffield has no night bus service whatsoever, another casualty of privatisation and deregulation”.

- Sheffield Trade Union Council evidence

Despite being essential for many, bus services at evenings and weekends often cost additional public money to run. As noted earlier, under current regulations there is no requirement for operators to provide these services. SYPTE has the power to fund such services where they are not provided by operators but reductions in funding for the SYPTE has eroded its ability to reinstate a large number of ‘lost’ services - which is considered in more detail below.

#### Impact of reduced frequency

The review found that the impact of reduced evening and weekend service frequency is a greater reliance on private vehicles (where people can afford it). One bus user said they are *“forced to use car in evenings due to reduced service...which I will do reluctantly as would prefer to use bus and be green”*. Another consequence is increased use of taxis especially for young people as taxis allow greater travel flexibility. Commissioners also noted that this could increase financial burdens on people, particularly those on low incomes such as shift workers. *“Poor reliability limited services and withdrawal of Sunday service because of this I have to take taxis to work & back at expense I can ill afford on top of the cost of a monthly pass”*.

Ultimately customers want to know that buses will turn up when they are scheduled to. Therefore, even on high frequency routes passenger access to regular bus services is undermined by poor reliability caused by congestion and slow journey times which decreases service predictability for them and bus operators.

**Finding 2: The South Yorkshire bus network experiences significant reliability<sup>22</sup> issues caused by congestion and slow journey speeds, which damage service quality and disincentivises new passengers.**

## Causes of poor reliability

### Congestion

“The biggest barrier to improving bus services and growing bus use across the country is road congestion”

- Stagecoach Yorkshire

Responses to the review, as well as national research such as that produced by Professor David Begg in 2016 for Greener Journeys, points towards congestion as a cause of poor network punctuality and slower journey speeds, largely caused by the rise in private vehicle ownership. Buses should be part of the solution to reducing congestion but currently they are caught in it and encounter the problems of it.

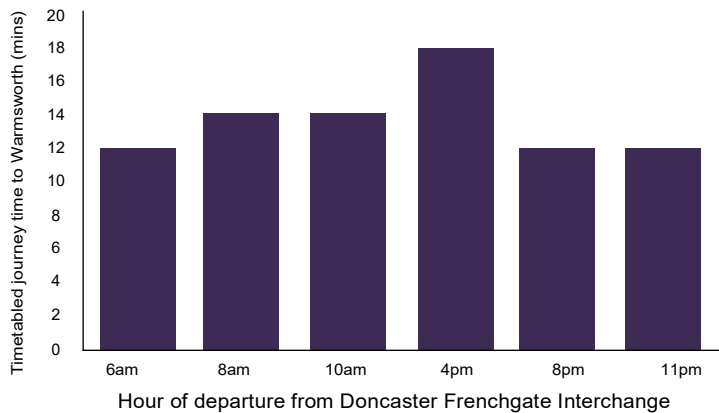
Congestion undoubtedly hinders journey speeds and reliability in part because it is hard to predict and is no longer limited to just peak times. Data analysis commissioned for the review and conducted by ODI Leeds demonstrates the impact of congestion on journey times but also suggests that in South Yorkshire it is unlikely to be the sole cause of passengers experiencing poor reliability. The analysis considered the impact of congestion on reliability by comparing timetable journey information to ‘live’ bus running times on over 50 different services during peak and off-peak travel times<sup>23</sup>. Nearly all of the buses tracked departed from town and city centre locations as these are areas that operators have highlighted during the review as congestion ‘hotspots’ and where the majority of congestion-related delays occur. ODI Leeds concluded that while congestion does slow down journey speeds during peak travel time, the fluctuation in journey times is generally already accounted for in timetable development and therefore alone would not consistently negatively impact punctuality.

For example, bus service 220 in Doncaster which runs South West out of Doncaster from the interchange to Warmsworth. The timetabled journey varies between 12 minutes at 6am and 18 minutes at 4pm. The graph shows the variation in timetabled journey time on weekdays.

<sup>22</sup>The review has used a general principle of reliability that passengers identify with (i.e. can people rely on buses as their main form of transport.) This includes service punctuality and is broader than the definition of reliability used by operators which means the number of buses that run.

<sup>23</sup>This was achieved by tracking and recording ‘live’ bus locations using real time data

### Doncaster Service 220, weekdays

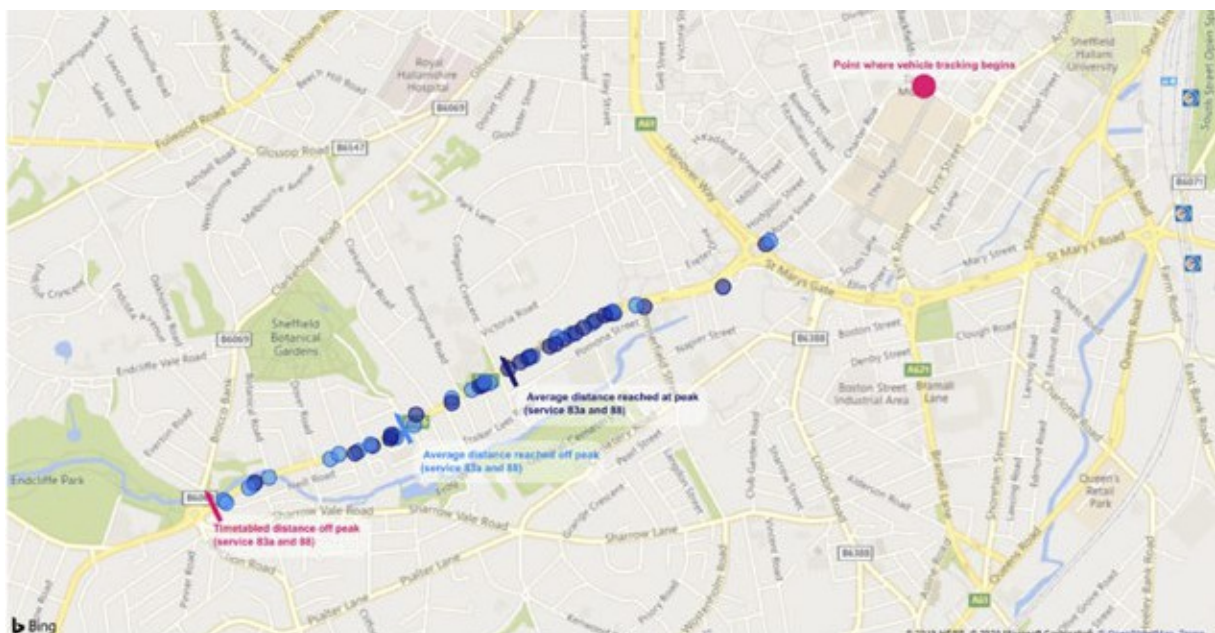


The 'live' location tracking shows that this timetable is well observed on this section of the route and the variance in timetabled journey time reflects how long it takes the buses to make the journey in the varying congestion of each time of day. This indicates that passenger journey times should correlate with those timetabled.

This was a similar picture in Sheffield. ODI Leeds tracked services 83a and 88 which run out of Sheffield City Centre towards Banner Cross along Ecclesall Road, a notorious high traffic corridor. Significant peak-time congestion is experienced on this road and journeys to Hunters Bar are timetabled to take nearly twice as long (15 minutes) during peak times than at 6am (8 minutes). Tracking showed that buses largely keep to timetabled journey times, with the fastest off-peak buses reaching Hunters Bar in the shortest timetabled time, and peak bus speeds typically being about half as fast.

### Tracking bus services 83a and 88 out of Sheffield

Where buses are 10 minutes after leaving town ● offpeak ● peak



Evidence submitted by Stagecoach Yorkshire for the review highlighted that adjusting timetables makes increases complexity, makes buses less convenient and can extend journey times - all of which has a negative impact on bus patronage and increases the number of car journeys being made.

### Tackling congestion

Certain bus priority measures, often introduced as part of partnership arrangements, have gone some way to improving journey speeds. However, they are not consistent across South Yorkshire and effective enforcement of otherwise effective measures by local authorities is poor. All bus operators cited poor enforcement of cars parked in live bus lanes as one of the key causes of delays in main bus corridors such as Abbeydale Road in Sheffield.

During the review operators made clear their demand for more schemes including First South Yorkshire who said called for “*effective and coordinated action on congestion hot-spots, bus lane operation and enforcement to deliver significant improvements in predictability and bus journey times to attract people out of their car*”. While this coordinated action would be welcome, councils, (particularly Sheffield City Council) made it clear that they will only spend public money where there is greater public authority control over the bus network and guarantees that agreed outcomes will be delivered.

This highlights one of the most significant underlying causes of the decline in South Yorkshire’s bus network: a breakdown in partnership between local politicians and bus operators, particularly in Sheffield. This not only creates a culture of mistrust between those who are part of bus partnerships but ultimately negative experiences for passengers. While there is some debate about whether changing the operating model will solve congestion issues either in full or in part, there is no doubt that unless collective action is taken to address congestion (including incentivising greater modal shift) then the bus network will continue to be strangled by the volume of traffic on South Yorkshire roads.

## Journey speeds

Sheffield Council's written evidence noted that congestion levels are not just a problem at peak time; *"Local evidence is mixed - whilst there are locations in the city where bus speeds are significantly lower in peak periods as opposed to off-peak periods (suggesting congestion being a factor), there are parts of the bus network where poor bus speeds occur throughout the day."* This was supported by First South Yorkshire in their evidence which reports an average 4% increase in journey times since 2014 and, like Stagecoach Yorkshire, acknowledge that *"the biggest opportunity to grow bus passengers is to improve reliability and speed up bus journey times."*

Barnsley Metropolitan Borough Council provided an example of a peak time, morning journey between Barnsley Interchange and Dodworth (approximately 3 miles) which has increased by 16 minutes in 7 years.

In addition to congestion, there are additional factors that contribute to slow journey speeds. The review heard that across South Yorkshire, boarding speeds are much slower than in other parts of the country, with on average a third of a bus's journey time being used for dwell time and boarding. The main reasons given for this are:

- Buses stopping frequently at a high number of bus stops along a route
- High volume of cash payments
- Passenger dialogue with the driver - often to discuss fares, payment and journey details

With driver-only bus operation there is clearly a trade-off between providing a service which is supportive of new or occasional users (by being able to provide fares information, give change or provide advice on which stop to alight at for example) whilst also making sure that services are fast, reliable and on-time. Many towns and cities, particularly London, have been able to significantly speed up boarding (and thus decrease journey times) by moving to a cashless system for fare payments. This includes the use of contactless technology and/or an increase in 'off-bus' facilities allowing passengers to pay for tickets prior to boarding. While the review identified this as a positive step, Commissioners also noted the potential impact that a move directly to contactless card ticket payments could have on minority groups such as those on lower incomes who may rely more on cash payments. Thought needs to be given as to how to make the transition from the current mixed payment economy to an inclusive cashless system - for example partnership with credit unions. No evidence was found that such strategy and plan was in place across South Yorkshire.



The complexity of fares adds to boarding times because of the dialogue that passengers need with drivers to be sure they have the right ticket or the best value fare. It is notable that fares information is not provided at bus stops, and few bus stops provide overall system maps and information. Fares information is also not easily available on the SYPT website, operators own websites or by using Travel South Yorkshire. Results are complicated and provide numerous ticket options. For example, Travel South Yorkshire website gives 49 results for adult full fare ticket options in Doncaster with limited information allowing passengers to compare the differences between ticket types. This is expanded further in Finding 7.

Commissioners also received evidence that congestion and unreliability on routes that cross the motorways in the city region can be made worse by the management of the motorway junctions by Highways England, the Government-owned company which manages motorways and major 'A' roads. In one case it was reported that a redesign of a motorway junction created delays that cancelled out the time saved by a bus corridor investment scheme, funded by a local authority, across the same junction. Given the impact on bus reliability of the motorway junctions in South Yorkshire, partnership arrangements should involve Highways England as a key stakeholder although Commissioners observed that this has been highlighted as a national issue in places such as Brighton and Bristol by Transport Focus<sup>24</sup>.

<sup>24</sup><https://www.transportfocus.org.uk/research-publications/publications/buses-on-highway-englands-roads-meeting-the-needs-of-passengers-and-bus-companies/>

## Impact of poor reliability on passengers

Passengers told us that they cannot consistently rely on buses as their main form of transport, with several representative groups identifying it as the greatest cause of patronage decline. As the table below shows, results from the review's survey reveal that people using the bus to get to work have the highest levels of dissatisfaction with reliability with 61% of those who responded saying they were either very dissatisfied or dissatisfied.

### Satisfaction or dissatisfaction with bus reliability across local authorities

	Very satisfied		Satisfied		Neither satisfied nor dissatisfied		Dissatisfied		Very dissatisfied		Total	
	Count	%	Count	%	Count	%	Count	%	Count	%	Count	%
Barnsley	34	7	149	29	114	22	134	26	82	16	513	100
Doncaster	20	4	93	20	83	18	154	34	109	24	459	100
Rotherham	10	2	79	13	94	16	203	34	206	35	592	100
Sheffield	77	3	534	19	434	16	1013	37	715	26	2773	100
South Yorks	141	3	855	20	725	17	1504	35	1112	26	4337	100

Source: Review survey

The review heard numerous and varied examples from passengers who regularly experience delays to their journey because services were either late or did not turn up at all. The following comments are illustrative views passengers have of service punctuality:

*"There have been times when I have been waiting for a bus and it just hasn't turned up or has been over 10 minutes late. This disrupts my day, especially if I am late travelling to work"*

*"Lately the service has been atrocious and as I am 68 years old, I worry about waiting at bus stops for quite a long time alone"*

*"Buses are often late, don't turn up or are already full. E.g. my usual 50-minute journey to work took 1hour 45 minutes yesterday, disruptions are not atypical."*

*"Buses are often much later than the advertised 10 minutes. I have had to wait over 30 minutes on a number of occasions and waits of 20 minutes are the norm. I don't finish school until 5pm and get to the bus stop with my friends about 5:10pm, but it can be 6pm before I get home as we have to wait a long time."*

Evidence submitted to the review by local authorities also cited reliability as one of the main contributory factors of bus patronage decline, including Doncaster Council who said *“there are too many examples of buses arriving late or not at all”*.

Sheffield Council summarised the situation by saying there is a *“dangerous spiral of decline where longer bus journey times drive passengers towards car use, thus reducing operating margins for bus companies which then increases fares, meaning fewer passengers and more car trips and thus greater congestion”*.

Responses to the survey highlighted the levels of dissatisfaction with reliability felt by those who reported their journeys being routinely affected by congestion. The table below shows that 62% of this group were either dissatisfied or very dissatisfied with reliability. Across the four South Yorkshire authorities, over a third of users routinely affected by congestion were also very dissatisfied with the reliability of their service.

#### **Satisfaction or dissatisfaction with reliability (for those routinely affected by congestion)**

	Very satisfied		Satisfied		Neither satisfied nor dissatisfied		Dissatisfied		Very dissatisfied		Total	
	Count	%	Count	%	Count	%	Count	%	Count	%	Count	%
Barnsley	17	6	84	28	59	20	79	27	56	19	295	100
Doncaster	11	4	47	18	41	16	99	38	60	23	258	100
Rotherham	7	2	50	16	49	15	97	31	114	36	317	100
Sheffield	43	2	329	18	274	15	697	39	457	25	1800	100
South Yorks	78	3	510	19	423	16	972	36	687	26	2670	100

Source: Public survey

Feedback from passengers reveals the adverse impact delays have on their lives. One young person told the review

“I can’t overstate the impact it’s had on my own life: if I could claim for every hour of lost pay due purely to the 81 ‘service’ I’d be owed thousands. I’ve lost job opportunities, missed countless social events”.

Another said it is

“safer in terms of keeping my job to go by car.”

Commissioners conclude that there is a destructive cycle between increased car use and poor service reliability, with car owners less inclined to make the modal shift from private vehicle to bus travel because of journey times. One car owner stated

“I would be tempted to take the bus to work if the route were more direct.... I would be extremely tempted if there were more bus lanes on my route to work which would give the bus a speed advantage over cars.”

This finding is supported by local research undertaken by SYPTE in 2019 (and referenced in their evidence submission) which found that in order for car users to switch to bus they want *“services to be direct and reliable, by which they mean buses turn up and are on time”*.

While congestion and slow journey speeds create problems for bus operators and passengers, there are far more serious consequences for the environment. Halving of average traffic speeds results in a 50% increase in NO<sub>2</sub>, reducing air quality<sup>22</sup>. This is something that must be addressed given the need to respond urgently to the climate emergency.

### **Finding 3: Buses needed to play bigger role in helping to reduce road transport emissions and tackle climate change.**

South Yorkshire faces an urgent air quality crisis with 28 Air Quality Management Areas<sup>26</sup> (AQMAs) in place and a Government requirement for Sheffield City Council to produce a Clean Air Zone to deal with the worst pollution. Nitrogen oxides and particulates have been linked to a rise in the number of deaths attributable to pollution and there is increasing evidence from many studies that these pollutants harm human health across the generations. Links have been made to low birth weight in babies, higher levels of asthma and also dementia in older people. The biggest source of these pollutants in city regions is diesel engines.

Alongside this public health crisis there is the overriding and immediate need to tackle climate change and the Government has adopted a target for net-zero carbon emissions by 2050.

Tackling transport emissions is essential to address both of these issues. Nationally, 28% of all carbon dioxide emissions are from transport, with road transport making up 90%<sup>27</sup> of this. Locally, road transport contributes 36% of all CO<sub>2</sub> emissions in South Yorkshire. Reducing this will require real action to promote zero emission vehicles and the infrastructure to service these, and also to reduce road traffic and incentivise use of alternatives to single occupancy car use. However Commissioners did not receive evidence to suggest that urgent planning was being carried out to do this. Fundamentally not enough is being done to incentivise modal shift away from private vehicle use and reduce road transport pollution. Climate change is a burning platform and doing nothing is not an option

#### **Modal shift**

The review found that despite South Yorkshire authorities declaring a climate emergency and promising to tackle air pollution in their areas, their current policies predominantly still favour private vehicles, exposing the perceived tension between interventions that support much needed economic growth and those that protect the environment and public health including encouraging shift away from private vehicles. This challenge was presented by Barnsley Council who are undergoing a £100 million town centre regeneration programme and acknowledged that to achieve the ambition of a creating a vibrant town centre “the stakes are high” and this has required them to adopt more pro-car incentives such as free weekend parking.

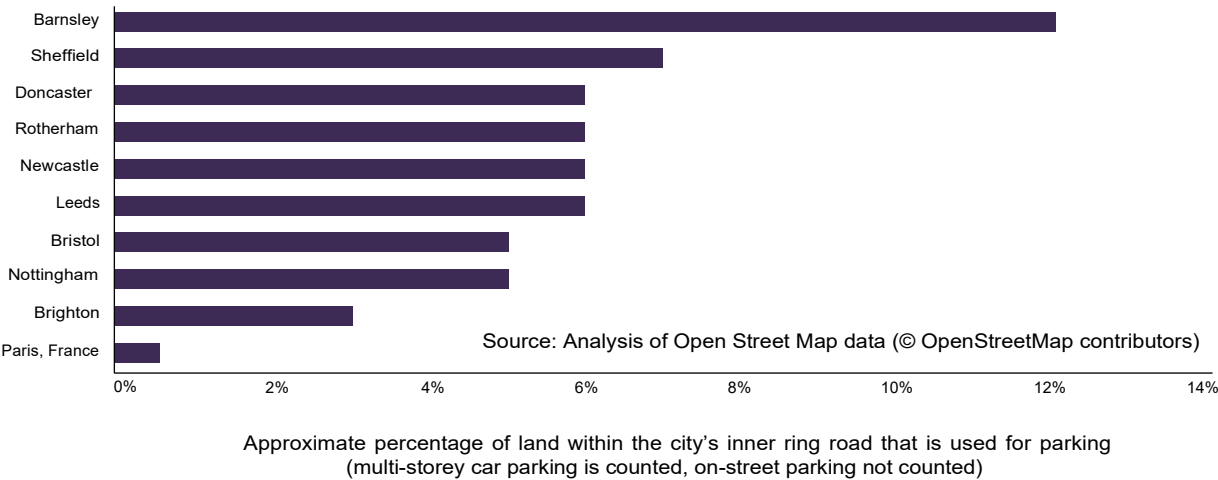
<sup>26</sup>An area where the air quality has been assessed and the levels of nitrogen dioxide, a pollutant that occurs from vehicle exhaust emissions, exceed the National Air Quality Objective.

<sup>27</sup>Evidence submitted by Greener Journeys

A shift, away from private vehicles to other forms of transport is critical to improving air quality, delivering on climate change targets and reducing congestion. Modal shift will only happen when there is a viable and attractive alternative to cars and therefore giving the bus priority over other forms of traffic is key to improving quality, frequency and reliability of bus services. Many modal shift policies have been tried in South Yorkshire but without enforcement or strong support they have been ineffective. While the quality of bus services must improve, it is important to create the right environment around them and increase the amount of investment in them as well as trams, tram-trains and heavy rail. Public transport needs to be properly integrated and co-ordinated, linked to both active travel and quality park and ride schemes.

As the graph shows, the amount of land used for parking within inner ring roads in each of the 4 local authority areas is among the highest in the country. This reinforces the view many residents have about ‘pro-car’ positions taken by local authorities, including the proposed CAZ in Sheffield. Residents generally welcomed the proposal, but many people and organisations felt proposals could be more ambitious and should include non-compliant private vehicles which would consequently reduce congestion. Bus companies gave evidence to Commissioners about the role of congestion in creating more air pollution when buses are travelling slowly or are stationary because of the increase in exhaust emissions.

Percentage of land within the city’s inner ring road that is used for parking





## Bus fleet emissions

A high quality, affordable and frequent bus service is part of the solution to improving air pollution and tackling climate change, but buses also have to make their own contribution. Modern buses are in fact cleaner than some diesel cars but the current bus fleet in South Yorkshire is not modern; it does not play a large enough role in helping to tackle climate change and local air pollution issues in the long term. Fleet investment decisions made now will last for the next 10 to 15 years, meaning there is a need to invest much more rapidly in clean vehicles now to hit future targets.

Locally, road transport contributes 36% of all CO<sub>2</sub> emissions in South Yorkshire. Projects have been undertaken by SYPTE in partnership with operators to retrofit technological solutions to buses to reduce the pollutants they emit and accelerate investment in newer, low carbon models. These projects were delivered using central government funding released on a competitive basis, however they have tended to prioritise areas where strong business cases can be made, rather than improving the environmental performance of the fleet across the entire South Yorkshire area. Although some older vehicles can be retrofitted to Euro 6 standards, emissions and environmental cleanliness of vehicles is inextricably linked to the age of the fleet because of the lack of financial investment in fleet upgrade. Therefore, cleanliness of buses differs between different local authority and operators.

There remains an extremely high proportion of the more polluting buses operating in South Yorkshire - particularly in Doncaster and Rotherham. Doncaster also has the lowest proportion of less polluting vehicles with only 9.4% of buses being the required Euro 6 standard. Only 30.3% of the bus fleet in South Yorkshire is Euro 6 compliant including buses which have had engine management and exhaust retrofit treatment. Only 4% of all vehicles in operation are hybrid; conversely, in London, approximately 40% of the fleet is made up of hybrid vehicles.

Financial assistance from the Department for Environment, Food and Rural Affairs (DEFRA), administered by Sheffield City Council has enabled bus companies operating in the city to upgrade their diesel fleet so that it is compliant with Euro 6 standards. However, while Euro 6 emission standards help to reduce NO<sub>2</sub> emissions it does not help in reducing the levels of CO<sub>2</sub> which are necessary for delivering zero carbon targets.

As previously noted, Sheffield City Council is required to implement a CAZ but concerns were raised about perverse consequences that this would have on the three neighbouring local authority areas (Barnsley, Doncaster and Rotherham), with bus operators achieving compliance by moving older and more polluting vehicles from Sheffield to other areas who would not be imposing the same requirements. Evidence, such as the disparity between quality and age of the fleet, and anecdotal feedback does suggest that this is already happening. While hearing evidence from Sheffield City Council as part of the review, Commissioners were deeply concerned at the decision to apply CAZ restrictions to lorries, vans, buses and taxis but not private vehicles, and felt this could potentially disincentivise modal shift away from cars.

### Active travel

The important relationship between active travel (cycling, walking etc), buses and improved air quality was highlighted during the review, not only by the Mayor's Active Travel Commissioner Dame Sarah Storey but also in the evidence received from the public and organisations including local authorities. Sheffield City Council commented:

“In terms of integration with active travel, this is a most important dimension - high quality, direct walking and cycling routes to public transport hubs with secure accommodation for bikes can help make middling length trips competitive with end-to-end journey times for private car. However, it should also be acknowledged that, for shorter trips, improved cycling and walking opportunities will lead to some abstraction (shift) from public transport. Therefore, public transport also needs to better serve the somewhat longer trips which are currently made by car.”

The review has found that there is not yet enough consideration of the role buses can play in tackling air pollution and responding to the climate emergency. This is indicative of a wider issue: buses are often not thought about as part of relevant allied policy areas and this prohibits them from being part of how the region tackles other social and economic challenges such as income inequality, poor social mobility and access to employment.

## **Finding 4: Buses are not integrated into important associated policy areas, crucially strategic transport, housing and spatial planning.**

### Strategic transport

#### Highways England

Given the position of South Yorkshire in the centre of the UK strategic road network, a collaborative relationship with Highways England is essential. However, the Commission saw little evidence of this and in contrast heard examples of poor co-ordination or worse, where bus enhancement schemes were compromised. Similarly, the smart motorway initiative was not designed to prioritise public transport and there appears to be poor co-ordination between local authorities and Highways England to tackle the knock-on effects of disruption.

#### Transport for the North

While bus services are a local matter, Transport for the North (TfN) as a sub-national transport body covering the whole of the North of England does have a role to play in improving them. For example, promoting pro-bus policies in the management and investment on the strategic and major road networks across the North including the SCR. It could also promote more integration between rail and local bus services given its work on rail services. Furthermore, TfN could promote buses as part of its strategic work including on pathways to net-zero carbon emissions in the North's transport systems. Commissioners noted with regret that bus services are not now to be included in TfN's smart ticketing programme and hope that the objectives of the scheme can be achieved through alternative means.

The geographical makeup of the region is diverse. Its polycentric nature makes the region different to most metropolitan areas, with larger distances between urban and economic centres. It makes the integration of transport policy and planning essential to associated policy areas such as spatial planning and economic development strategy - something which Commissioners found limited evidence of in South Yorkshire. Instead, the review has highlighted that buses are not linked to wider policy on transport and planning, and this makes it much more difficult to provide a comprehensive bus network which connects the people to the places they need or want to go to. In turn this adds to road congestion and increases financial costs for all concerned.

## Housing developments

The National Planning Policy Framework clearly states that transport accessibility be considered as part of planning and development. Despite this Commissioners heard that many new commercial and housing developments in the region have limited or no bus service because public transport was not given proper consideration during the planning process. Local authorities and bus operators reported that developers gave no consideration to how people would access developments by bus and be connected to jobs, education or social opportunities because design of the sites made good bus provision difficult or expensive.

As with other policy areas such as bus priority measures and modal shift, regionally there is poor enforcement of planning guidance and policies which would otherwise benefit buses and deliver much needed benefits for passengers.

Similarly, bus users and their needs are not considered sufficiently in the management and strategies for roads and parking. Cheap or free on-street and town centre parking that takes up valuable road space that could be used for bus lanes, adds to traffic congestion and, contributes to delays in and the cost of running buses. Transport plans and traffic management strategies do not give buses the space they need to run efficiently.

### **Waverley Housing Development - Rotherham**

The Waverley housing development in Rotherham was originally designed to include a bus interchange though without a public transport plan or any bus priority measures. Given the estate is in close proximity to the M1 motorway, around 15 minutes from Sheffield City Centre and is situated next to the Advanced Manufacturing Park buses and other public transport options should have been incorporated from the outset. Despite this the decision to build a bus interchange was dropped (with developers not held to account) and now residents are largely reliant on cars, leading to increased traffic and congestion on the nearby Sheffield Parkway.

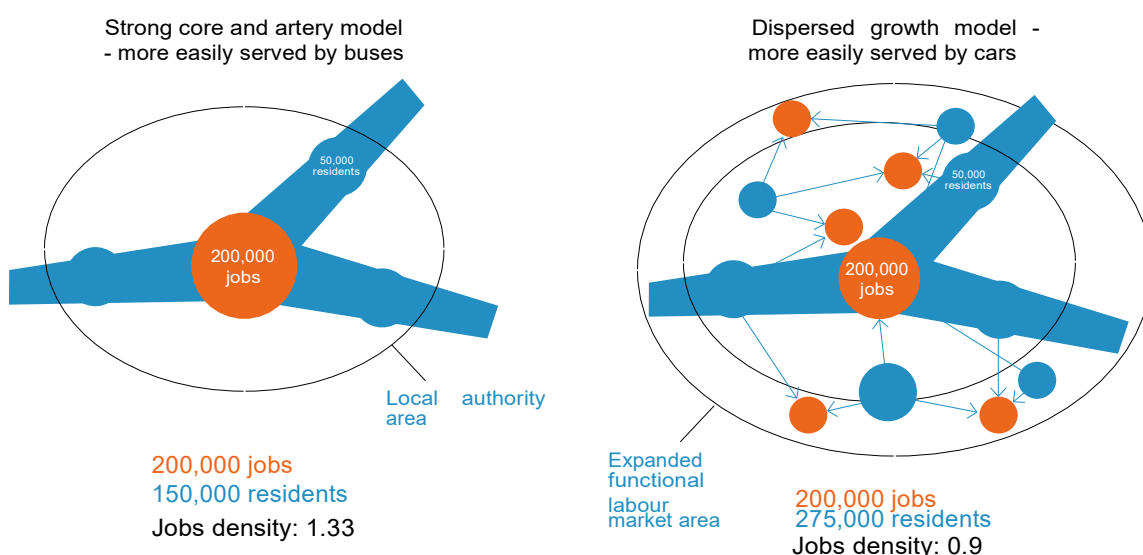
## Employment sites

For residents, public transport should play an important role in helping them to access employment, education, housing and social opportunities across the region. The 2018 Joseph Rowntree Foundation study, *Tackling transport-related barriers to employment in low income neighbourhoods* found that local public transport systems have not accommodated the increasingly dispersed geography of lower-skilled employment - something which is relevant to South Yorkshire and the recent rise of out of town employment sites as well as the suburbanisation of housing estates.

The rise in out of town employment sites have, in part, been created by a growing number of businesses such as those in the distribution or logistics sectors who have capitalised on large amounts of unused and relatively low-cost land near to main arterial routes such as the M1. However, the growth in out of town employment is not just restricted to those sectors which rely on close links to the motorways. Over the last 10 years, South Yorkshire has also seen a rise in decentralised administrative and lower value professional jobs, that would have previously been based in town and/or city centres.

As shown in the map below, over the past 70 years many traditional employment areas within South Yorkshire (central Sheffield, Rotherham and Barnsley) have lost jobs relative to the national average level of jobs growth over this period. Conversely, jobs growth over this long-term period has generally favoured areas which are less accessible by bus and other forms of public transport, including sites near the M1 and A1(M) motorways.

### Jobs change 1951-2018 in South Yorkshire and surrounding districts.



Recent employment growth sites in and around South Yorkshire are not always well complementary of suburban housing estates making out of town jobs increasingly inaccessible for passengers by public transport. For example, the out of town ASOS distribution centre in Barnsley which requires workers to use two buses to get there, on average, and since opening has required SYPTE to fund a direct service from Barnsley Interchange. This has a more significant impact on those people who cannot afford, or choose not to use, private vehicles and rely on buses. The complex matrix of car journeys from suburban housing estates to out-of-town employment areas typically cuts across main transport corridors and slows down traffic (specifically buses) on those arteries as increasing priority has to be given by highways engineers to journeys that are not on the original “main line” through a junction.

Decentralisation of employment makes it difficult to maintain a viable, sustainable and reliable bus (and wider public transport) network that provides passengers with the necessary connectivity that allows them to travel freely across the region.





**Finding 5: In some parts of South Yorkshire there is poor connectivity between different part of the bus network and with other modes of transport. The impact of this on passengers increases where services are less frequent.**

Learning from other cities as part of the review showcased the importance of an integrated public transport network - for example in Nottingham, where there is a dominant municipal bus operator (Nottingham City Transport) and public transport has a significant mode share (around 40%). This contrasts with South Yorkshire where Commissioners observed poor connectivity between bus services and between buses and other forms of public transport. Sheffield Trade Union Council told Commissioners they believe that deregulation marked “the end of the coordinated network”.

Residents reported the challenges they face with connectivity, including those living in rural communities and/or more isolated communities outside of urban centres.

“From Loxley we do not have a direct bus to the City Centre anymore. We have to catch number 31 which is the Walkley bus and have to travel all around Walkley which at busy times takes so long. Its so frustrating as we are only 5 min journey from Hillsborough, but it feels like we live in the middle of nowhere. Please bring back our bus (no 84 and before that no 14) I find myself having to catch 2 buses to get to the city Centre which is ridiculous”

In a deregulated system with greater levels of service reductions, these communities are particularly vulnerable due to potentially low profitability and limited budget to fund necessary services. Without doubt, service changes are increasing connectivity challenges that passengers face.

Feedback was also received about the radial design of the network which supports connection of larger urban centres but has reduced the connectivity and passenger mobility between smaller towns and villages. For example, one councillor detailed the impact of poor connectivity for residents of the village of Great Houghton in Barnsley since recent service changes. A 4-mile journey to nearby Wombwell now requires passengers to catch 2 or 3 buses which sometimes can incur transfer times of up to 25 minutes. The same journey takes approximately 15 minutes by car.

Barnsley residents also reported poor connectivity between buses and trains which link Thurnscoe (just over 1.5 miles away) and Sheffield, the nearest major economic hub -*“if you want a train from Thurnscoe to Sheffield by the the bus gets to Thurnscoe the train has been gone five minutes and it is then 55 minutes to the next train.”*



The review received a great deal of positive support for tram and tram-train services, including demand for the network to be increased to serve more suburban communities and for it to offer more park and ride capacity. However, passengers also indicated that connectivity between tram/tram-train and bus services could be improved, for instance,

- *“I love the Supertram with its comfort and frequency. As I live in the rural west of Barnsley, we don’t have a public transport system that compares with that of urban Sheffield. There is no bus service to my home, which is in a rural area. To use buses, I have to drive to the Malin Bridge Park and ride.”*
- *“More connections to the trams would be very helpful, regular shuttle busses, for areas that are close to the tram but a little too far to walk”*
- *“Return of the Stannington to Malin Bridge tram bus - to allow passengers to access the tram and ensure a reliable service on other buses.”*

Thurgoland Parish Council Transport Group provided evidence to the review about the lack of connectivity between buses. Alongside a reduction in frequency of services between Sheffield and Holmfirth (from one every hour to one every two hours), the group highlighted that there were no longer frequent direct services to Sheffield or nearby stops that allow passengers to interchange with other services in the network.

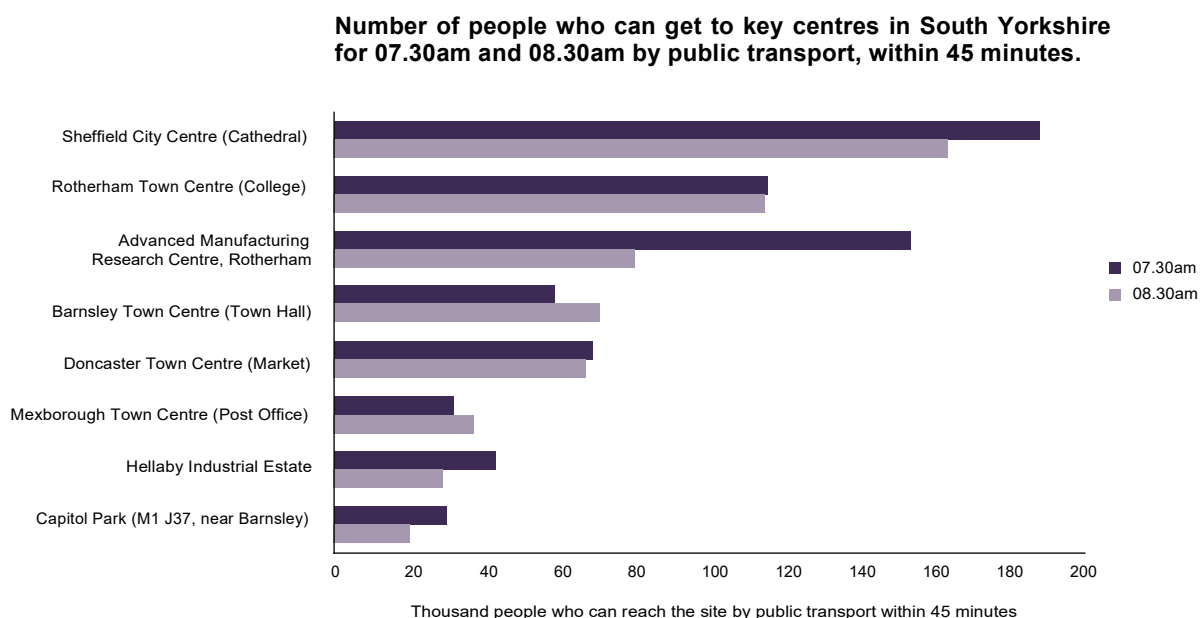
Other responses to the survey highlight passenger experience of poor connectivity between local communities and the express routes:

- *“The main routes on the bus are very good. However, if you go off the major routes the service is really poor, unreliable and not interconnected enough”*
- *“I think they need to look in to link times for buses as every morning I get on the 6.05 bus from Stainforth and get off at the hospital around 6.30 my connecting bus to Armthorpe is then not till 6.51 all because I’d just miss one at 6.24 but on a Saturday I get the bus at the same time and get to the hospital at the same time and there’s a connecting bus to Armthorpe at 6.39 why can’t they do this every day”*
- *Buses do not go as near to houses as they used to - spine service of tram, express buses concentrating on main roads...how can you get to the main service if your estate does not have connecting service?*

## Impact of poor connectivity

Poor connectivity can restrict the type and nature of employment for those people who choose to or have to rely on public transport. Analysis carried out by ODI Leeds using Open Trip Planner (which covers information about all modes of public transport) considered the number of people who can get to 8 key employment sites in South Yorkshire within 45 minutes at 3 different times of the day. While the analysis revealed that all 8 employment sites are more accessible at 12:30pm than at 8:30am, starker results can be seen by comparing accessibility at 07:30am and 08:30am.

In places such as Barnsley Town Centre and Mexborough Town Centre the higher frequency of bus services for arrival at 08:30am increase the effective catchment area but this is not always the case. The Advanced Manufacturing Park (AMP) in Rotherham is a key economic asset for the City Region, attracting global business, investment and high skilled jobs. However, nearly half as many people can access the AMP at 08:30am compared to 07:30am. This is largely due to congestion in and between Sheffield and Rotherham reducing the area from which people can access the site by public transport.



For many passengers to overcome poor connectivity the answer is modal shift, often to private vehicles which are more convenient but add further congestion to our roads and increase vehicle emissions, making connectivity, frequency and the reliability of bus transport even worse. One hospital worker described that service changes meant their journey to work (from Grenoside) became 2 hours by bus so they switched to driving which reduced the journey by over an hour and a half. Another said; *“it would take 2 buses to get to my place of work. Only 7.5 miles but no single service to Sheffield Business Park from Aston. Easier and convenient to take the car”*.

For those passengers who have to rely on public transport and cannot afford to own a private vehicle, poor connectivity will further alienate them away from education, employment and social opportunities.

The impact of poor transport connectivity is further exacerbated by service changes, especially more significant reductions and cuts, which adversely affect people's lives because they can no longer depend on buses to connect them to opportunity.

**Finding 6: Passengers reported significant difficulty associated with service changes, most notably the way changes are decided and then communicated as well as the subsequent impact that this has on people's lives.**

Passengers reported poor communication of service changes which reduces trust in the bus network and creates uncertainty for passengers about service reliability. Vision Strategy Transport Group, a disabled user group based in Barnsley, reported no large print communication being provided at bus stops, or paper copies of timetables in large print which made it very difficult for them to receive information. Other passengers commented:

- *“recent bus service changes have not been advertised so people have little idea where their bus stops.*
- *“provide more information on changes to busses (i.e. price changes, service changes) on all platforms of media.*

Sheffield disability transport user group Transport 4 All provided evidence about the impact service changes can have on disabled bus users, saying *“disabled people suffer much more when bus networks get rewritten...If change must happen then disabled people need an early warning that something is happening, and full details proactively communicated a minimum of 30-days before. This gives an opportunity to avoid distress and confusion for the disabled community who are the least equipped to adapt to changes on the day for a variety of reasons”*.

Despite operators agreeing to limit service changes to once a year as part of partnership agreements, passenger perception (and reality) can be that they experience more frequent amendments to their journeys depending on where they live and travel to. Passenger groups consulted with as part of the review reported a lack of “genuine” consultation by SYPTE and bus operators about service changes, with many people feeling that passenger feedback and data was not considered when making decisions. Most recently proposed changes to Rotherham services by First South Yorkshire and Stagecoach Yorkshire from January 2020 were put out for consultation in late 2019. Subsequently, revisions were made to the proposals, yet the plans were not put back out to public consultation.

Changes made to bus services in Sheffield in September 2019 were widely reported to be severely disruptive, with adverse implications for passengers. MP for Sheffield Central Paul Blomfield reported a rise in constituent correspondence following these changes, including the impact of changes to the number 3/3a service on residents. This included a wheelchair user who until recently would use the bus as his main mode of transport. Since the changes which mean the bus takes a different route, the resident can no longer easily access the city centre because the nearest stop is now over 10 minutes away from the main shopping areas.

Feedback was also received about the lack of consideration given to user needs in making service changes, for example the replacement of service number 31 with number 135. *“This impacts so many lives. It was an absolute lifeline to those with limited mobility in such a hilly area. You have pulled the rug from under my elderly neighbours’ feet, they feel completely stranded. The new bus (135) utterly fails to address residents’ needs. Don’t keep changing timetables so we can know when we can get the bus we need and where we can go on them.”*

### Impact of service cuts

Service cuts to bus services in South Yorkshire have significant and often life-changing consequences for residents. If people rely on a specific bus to get to work, to access education or be socially active and that service is cut, their employment is finished, education is terminated, and social isolation is increased.

*“It seems to me that the service changes to route 56 (as it now is) are disabling me far more than the disease which I have (MS). I cannot be alone, the changes affect other wheelchair users, people with mobility difficulties, and parents with children.”*

Louise Haigh, Member of Parliament for Sheffield Heeley, raised concerns about the impact of service changes on behalf of her constituents - specifically the recent (2019) axing of service numbers 1A and 56 which she says were “popular services, on which many residents have come to depend”. The MP also noted the detrimental impact that previous service changes have had on people, saying,

*“In 2015, the 19 and 20a routes were abolished, leaving local people unable to attend their local doctors’ surgery, visit a supermarket, or get to work or school on time...There is a total lack of attention to an integrated transport system. Several years ago the 53 bus which ran from Lowedges was axed, the important thing about this service is that it went to the railway station. Now from that part of my constituency there is no bus which can take people directly to and from the railway station.”*



A former bus user explained the impact of service changes on his life *“there used to be a bus service that went past my house, but it was withdrawn years ago. I have trouble walking and can’t manage the distance to the nearest bus route where the bus service isn’t frequent.”* This is typical of feedback Commissioners have received from residents about the impact bus service cuts can have on people, particularly those who do not own a private vehicle.

Furthermore, people with reduced mobility or disabilities reported an increased financial expense, following service changes. This is because they become reliant on taxis and community transport to access necessary places such as shops, medical appointments and social activities because of the lack of bus transport. In turn this increases pressure on the already-stretched community transport budget controlled by SYPTE because although passengers pay fares, they are subsidised by local authority funding. Consequentially this also means that those people who do not have the financial means to own a car, or use taxis, are more negatively affected by bus service cuts and therefore more likely to become socially isolated.

Increased financial burden on passengers in response to service changes is not the only way that the value for money of the bus network is being challenged. Fare structures and ticket options are complex and mean passengers can pay a premium for bus travel.

**Finding 7: There are an overwhelming number of ticket options available to passengers and passengers are not given certainty about which ones offer the best value for money.**

In the other places visited as part of the review Commissioners identified that high bus usage went hand in hand with straight forward and transparent fare structures. A report by the Urban Transport Group also concluded that *“simplicity, as well as actual fare level, is a key component to making travel attractive to passengers”*. In stark contrast to this and despite more affordable fares than in other parts of the country, fares are not easy to understand. There are an overwhelming number of ticket options available from operators in South Yorkshire, alongside TravelMaster products. This makes it complicated for customers to ensure they receive best value for money. In part this is because operators are forbidden from sharing commercial information, agree fare structures or collude on pricing due to competition law. This, however, does not explain why ticket options presented by individual operators are so convoluted.

First South Yorkshire are in the process of conducting a price capping trial in Doncaster, whilst at the time of writing neither Stagecoach Yorkshire nor any of the smaller operators offer price capping. For First South Yorkshire fare capping is only applicable to tickets and fares on their own bus services and will not cap a passenger's fares if they change between buses operated by more than one operator or align with TravelMaster products.

Passengers want to get on board the first bus that turns up and not be restricted to individual operators because of ticket type. They also do not want to pay a premium for more flexible TravelMaster tickets to accommodate for service unreliability.

“It is ridiculous that on routes like the 120 where the contract is split between First and Stagecoach some tickets are only valid on one company's buses. This means that the strap line “One City, One Service is grossly misleading”

Local authority areas in South Yorkshire are effectively fare zones, with many people travelling across local authority borders on a regular basis for employment, education or social opportunities. Doncaster Council reported the impact on passengers saying, *“cross border journeys within South Yorkshire can increase ticket prices despite often being short distances. A weekly pass for First services within Doncaster costs £15 but the equivalent South Yorkshire pass enabling travel to Rotherham is £20”*.

Passengers also highlighted fare inconsistencies between the different local authority areas, for example, a single fare costs £1.70 in Rotherham and Barnsley, but as little as £1.40 in Sheffield. Barnsley Council's evidence noted the impact of cross border travel (i.e. between South Yorkshire and other counties such as Lincolnshire and Derbyshire) within the current ticket system, despite having the majority of bus services in their authority area run by a single operator:

*"Bus travel can be considered complex with too many tickets to choose from and many of these not allowing cross boundary commuting, leading to additional costs."* Commissioners heard an example of a passenger in Barnsley being charged an extra £2 just to travel a short distance but across a local boundary.

Commissioners did note that that Stagecoach Yorkshire and Stagecoach East Midlands offer the adult Silver Dayrider ticket which allows all-day, cross border travel (for example between South Yorkshire and Derbyshire) for £4.90.

## Impact of ticket complexity

The review found that the complex ticket system means people are more likely to incur additional expense because tickets are not transferable between operators and therefore do not offer the necessary flexibility to accommodate poor reliability.

“Occasionally a Stagecoach bus will be late, and even on the odd occasion, not turn up at all. This is why I pay a little extra for a TravelMaster card instead of a Stagecoach card. Sometimes I have to make alternative arrangements, which sometimes involves catching a First bus to complete my journey.”

Shift workers whose work patterns include evenings and weekends and people on a low income are most adversely affected by complex and restrictive ticket options. This is because they need to purchase a fully flexible but higher priced tickets such as one of the TravelMaster products. This allows passengers to use services provided by different bus companies because often evening and weekend services are more likely to be run by the different operators to those during weekdays. The same applies for those people working from home on a regular basis. More flexibility with ticketing needs to be brought in to match changing working habits.

Responses to the survey suggest that young people aged 21-30 have the highest levels of dissatisfaction, with 57% overall being very dissatisfied or dissatisfied with value for money offered. In terms of ticket type, highest levels of dissatisfaction were reported by those buying single journey or day tickets. Conversely, but not surprisingly given concessionary travel benefits, 57% of those aged 71 - 80 years old are very satisfied or satisfied with value for money - however many people and representative groups, such as the Freedom Riders, commented negatively that use of ENCTS passes is restricted during the evenings and restricts travel. Commissioners did welcome an additional concession offered by Stagecoach Yorkshire that permits ENCTS pass holders to travel before 9.30am where they are attending a hospital appointment. The same flexibility was not available with other operators including First South Yorkshire.

Ticket options and fares are not the only area of variability passengers experience. The quality of the network between operators and between local authority areas can be inconsistent and does not offer all passengers the same quality of bus travel.

**Finding 8: Passenger ability to access a high-quality bus network is variable, and often depends on where they travel, and which bus operator provides their bus service.**

#### Physical condition of fleet

The most significant variability identified is the quality of the bus fleet across the network and that this differs between each local authority area and depending on which bus operator provides a service. For the most part this is caused by a stark difference in the average age of a bus, with passengers reporting that older vehicles made them less likely to travel by bus and more likely to switch to alternative modes of transport. *“I used to get X78 between Doncaster and Rotherham. This service is slow and is served by old buses. The new buses were transferred to the X1 service. When that happened, I decided to use the train instead.”*

In 2017/18 the average age of a bus in England was 7.7 years old. The average age of fleet in all areas of South Yorkshire is higher than this - particularly those buses based at the depot in Doncaster which are markedly older than average national and regional figures. Evidence provided by Doncaster Council highlights this difference describing it as an “unacceptable situation”, something which was supported in feedback from bus users in Doncaster through the survey such as:

- *“87 and 87A only ever seem to run very old busses[sic]”*
- *“Totally unreliable service provided by First, old bus fleet (it’s not unusual to see a broken down bus in Doncaster)”*

The table shows the average fleet age (as of September 2019) based on depot location and depending on bus operator. For comparison Commissioners heard that the average age of fleet in Nottingham was 8 years and in Brighton under 7 years.

Depot location	Number of buses	Average age (year)
<b>Barnsley</b>		
Stagecoach Yorkshire	94	8.9
Globe	6	11.7
Watersons	7	14.7
<b>Barnsley total</b>	<b>107</b>	<b>9.5</b>
<b>Doncaster</b>		
First South Yorkshire	122	11.9
Stagecoach East Midlands (For Stagecoach Yorkshire average see Rotherham)	17	10.0
Arriva	7	10.0
<b>Doncaster total</b>	<b>146</b>	<b>11.6</b>
<b>Rotherham</b>		
First South Yorkshire	67	8.6
Stagecoach Yorkshire	60	8.7
Stagecoach East Midlands	8	10.0
Powells	42	11.4
<b>Rotherham total</b>	<b>177</b>	<b>9.4</b>
<b>Sheffield</b>		
First South Yorkshire	241	8.6
Stagecoach Yorkshire	136	7.0
Sheffield Community Transport	4	10.3
TM (TM Travel also operate outside of Sheffield)	45	13.7
<b>Sheffield total</b>	<b>426</b>	<b>8.6</b>
<b>Overall South Yorkshire total</b>	<b>856</b>	<b>9.4</b>

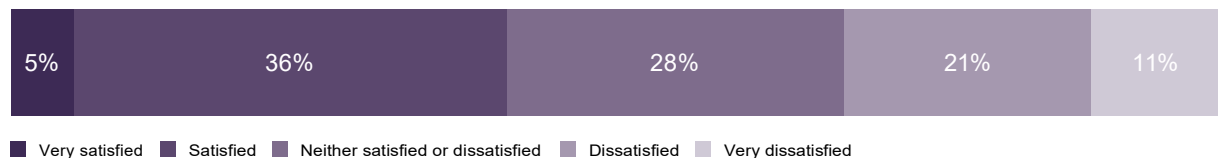
Source: SYPTE evidence submitted to the Bus Review

The table also shows a difference in the average age of buses between the different operators, with the two larger operators able to achieve a lower average fleet age due to reinvestment and vehicle swapping within their national groups. In contrast, buses owned by smaller operators tend to have a higher average age because they are unable to achieve the same levels of reinvestment. In their evidence to the review, operators disclosed that the region's lack of bus strategy was hindering their ability to secure support and funding for new buses from their parent companies.

Commissioners identified that the current approach to contracting tendered services does not encourage investment in fleet. Contracts, such as those for school services, are awarded on the basis of lowest cost and unlike other areas, no minimum fleet standards are not included in the tender specification. This means that operators can choose to run the oldest buses on these routes in order to achieve lowest running costs, leaving passengers and the environment to suffer the most.

The chart below demonstrates that more than 40% of survey respondents reported satisfaction with the quality and condition of buses. In contrast, 32% reported a degree of dissatisfaction suggesting that, for many, there is still progress needed to improve quality.

**Whilst there is a good degree of satisfaction with the quality and condition of buses, there is still work to do.**



### On-board experience

Quality of fleet is key to passenger experience. Closely associated with a modern bus fleet, is technology such as contactless payment, Wi-Fi and USB charging points, as well as accessibility equipment such as electric wheelchair ramps (a legislative requirement) and audio-visual announcements.

Passengers highlighted the inconsistency of technology provided on buses in South Yorkshire with many calling for the installation or improvement of on-board Wi-Fi and charging facilities to enhance journey experience.

“On new vehicles and when refurbishments are carried out it would be also be helpful to include USB points, especially on buses used for longer distance routes, In my experience these are only currently available on a tiny proportion of buses”

“More consistent facilities on buses e.g. Wi-Fi and phone charging would also be good. I’ve been on buses in other areas where there is an announcement of the stop and a screen with the stop displaying, that would be very useful.”



“No WiFi is available on the 95 (contactless payments have also only fairly recently been included, well behind Stagecoach)”

This contrasts with what Commissioners heard during their visit to Reading. Robert Williams, CEO of Reading Buses stressed *“We are trying everything. We have to compete with the private car. We are very demanding on new bus specifications - nicer floor lay-out, absence of upright poles (which causes rattles), introduction of sofa-style seating on some buses, real time video display including bespoke ones for wheelchair bays, USB ports at every seat and colour-coordinated interiors to match route branding.”*

On-board bus technology is a key driver to increasing patronage, particularly of young people and the visit to Brighton carried out as part of this review confirmed that they assume Wi-Fi and charging facilities will be available. Despite this, research by Transport Focus<sup>31</sup> found that *“young people are biggest users of the bus, but they don’t feel services are designed for them”* something which this review also identified in consultation with students from Sheffield College who specified improvement of the condition of buses as one of their key areas of feedback. The review also heard that the impact of poor on-board environment and quality of fleet was deterring many young people from traveling by bus.

“to get more young people using them you need to appeal to young people- currently it seems a very old-fashioned thing”.

Commissioners also received feedback about negative on-board experience caused by poor customer service, with minority groups including young and disabled passengers raising the most concerns about how drivers have handled more complex ticketing and journey questions. Overall, feedback was more consistently positive about drivers working for Stagecoach Yorkshire than for First South Yorkshire. Commissioners concluded that this may be as result of additional pressures currently facing First South Yorkshire drivers but also differing training regimes, with Stagecoach (nationally) offering enhanced driver and customer service training.

In Brighton, Commissioners heard about a strong focus on driver reward and recognition including a close partnership with the Unite union. Similarly, in Scarborough Commissioners heard about local incentives to value staff including CEO visits, new customer service training and innovative methods of recruiting female drivers.

<sup>31</sup><https://www.transportfocus.org.uk/research-publications/publications/making-bus-a-better-choice-for-young-people/>

## Ticket payment

In addition to this, the review found that payment methods on board vehicles is inconsistent and varies between operators. Responses to the review survey indicated that nearly a third (31%) of those buying a ticket, used cash on-board to do so. In contrast, 15% used card payment.

Stagecoach Yorkshire were the first operator to provide contactless technology with First South Yorkshire installing the technology on their buses more recently. Vehicles owned by the smaller operators, such as TM Travel, are still yet to support contactless payments and are reliant on passengers paying for tickets with cash.

In a report for Greener Journeys<sup>32</sup> Professor David Begg identified ‘reducing dwell times at bus stops’ as one of a 5-point plan to improve bus journey times. A key element of this, he argues, is to radically improve the use of contactless payments on buses to achieve faster boarding. He identifies London’s ‘world-leading’ approach to cashless buses and the fact that if London-style cashless buses and contactless payments could be extended to the rest of the UK bus journey times could be improved by up to 10% by halving dwell time at bus stops.

## Accessibility

The Government’s Inclusive Transport Strategy has set the ambition to provide equal access to the transport network by 2030. Despite this the review found that accessibility of the bus transport network in South Yorkshire remains a problem.

A very small minority of buses are fitted with audio and visual information equipment and present is only available on two routes (25 and 120<sup>33</sup>) which both operate in Sheffield. Audio and visual information is commonplace in London, other UK towns and cities, and is very much the norm across Europe. For first time or infrequent users audio and visual information is vital in completing a journey with confidence, security and safety.

Ramps are fundamental to ensuring bus accessibility for wheelchair users. Despite SYPTTE stating that 100% of all buses in South Yorkshire are “low floor<sup>34</sup>”, the review found that some buses, particularly older vehicles, still have ramps that require drivers to manually deploy them. One wheelchair user reported waiting at a bus stop in her wheelchair, only for her not to be able to board the bus because the driver could not deploy the wheelchair ramp. No alternative was offered to the customer and she was forced to travel by taxi which she paid for herself.

<sup>32</sup><https://greenerjourneys.com/wp-content/uploads/2016/06/Prof-David-Begg-The-Impact-of-Congestion-on-Bus-Passengers-Digital-FINAL.pdf>

<sup>33</sup> On the 120 route, SYPTTE delivered the project to install the equipment on that route as part of the audio visual pilot starting in December 2017

<sup>34</sup> A low-floor bus has no steps between the ground and the floor of the bus at one or more entrances, and a low floor for part or all of the passenger cabin

*“My daughter is a wheelchair user, most of the time drivers are v helpful & it’s great but sometimes they’re not. They get grumpy about putting the ramp down.”*

Regardless of the age of a vehicle, passengers reported competition for on-board space between wheelchairs and prams which can cause inconvenience and delays to journeys.

- *“If a wheelchair is already on board we have to wait for the next bus. Often happens on Sundays and hospital routes”*
- *“Ensuring that wheelchair users can use the wheelchair spaces and that if someone is taking up that space with a pushchair, they are asked to move. Drivers being more understanding of passengers taking longer to get off the bus, and that some passengers can’t stand up until the bus has stopped”*

In some cases, we heard that poor bus accessibility for disabled passengers means that they do not use buses and either travel by alternative means (usually taxi) or become further isolated because they cannot afford alternative transport.

- *“I’m disabled and a few things put me off - I can’t stand for more than a couple of minutes and can’t guarantee being able to sit while waiting at the bus stop for a bus, especially if it is late. I increasingly use a wheelchair outside. I would have to know that I could access a bus with it. Although most buses have a wheelchair space, I have heard that sometimes someone occupies it with a children’s buggy for example. The thought of having to ask them to move and having to leave the bus very publicly if they refuse, completely puts me off even trying.”*
- *“I don’t travel on buses since [removal of] my local bus. I am disabled and it is too far to walk to the other bus stops. It is not only me that can’t make it to the other bus stops, my neighbours that are disabled and OAPS. So, it is impossible for some of us to be able to go out and be social.*

Transport 4 All also raised concerns about the lack of disabled passenger involvement in bus design. Evidence submitted to the review specifically highlighted the variation of on-board vehicle design from the perspective of disabled passengers - for example inconsistent on-board design which can hinder accessibility for visually impaired people.

## Infrastructure

There are also stark differences in the infrastructure supporting passengers to make bus journeys such as availability of bus shelters and seating at bus stops, which again can have a greater impact on elderly and disabled passengers if not provided. Data from SYPTE shows that there are only 3,300 bus shelters in South Yorkshire but over 7,500 bus stops. One member of the Vision Strategy Transport Group said she uses taxis whenever she needs to travel anywhere because the nearest and safest bus stop (approved by NHS rehabilitation officers) was a 20-minute walk away from her house and provided no seating.

Inconsistent provision of seating at bus stops was a consistent theme throughout the review and was raised by passengers as well as representative groups including the South Yorkshire Freedom Riders who highlight that “all bus stop should have shelters, usable seats and real-time information”. Evidence submitted by Age UK Barnsley detailed a recent consultation event where elderly people described the issues they face in accessing buses which included

“the seating commonly in bus shelters that is like a plank is not suitable for older people who are not steady on their feet and who are also the people who are likely to need a seat.”

Transport interchanges in each of the local authorities differ in terms of the connectivity and usability they offer passengers - with Sheffield interchange being significantly underused and viewed negatively. Commissioners noted that there is an opportunity to look at how the site is used in the future and how to improve interchange between different modes of transport, and between buses, for passengers.

## Information systems

According to the DfT, 99% of buses in metropolitan areas have an automatic vehicle location (AVL) device which can be used in real-time information systems<sup>35</sup>. Despite this and the improved provision of 'live' information through smartphone apps, real-time information is not consistently provided at bus stops. Evidence submitted by Doncaster Council provides analysis of SYPTE showing that of the 11,000 stops and shelters in South Yorkshire, only 271 (3.6%) have real-time information displays. Barnsley and Doncaster had the lowest proportion with just 1.6% and 1.7% of including displays, compared to 4.6% and 5% in Rotherham and Sheffield.

The lack of real-time information provided to customers exacerbates reliability problems for passengers because they are not given certainty about where buses are or when they will turn up. As noted in the evidence provided by Doncaster Council, research<sup>36</sup> shows there are many benefits from the use of real-time information systems for passengers:

- Real-time information affects how users perceive waiting times. Passengers are more willing to wait for public transport if they perceive their wait times to be shorter and the bus service to be more reliable
- Access to real-time information has been found to make transit feel safe
- Real-time information systems give passengers a greater feeling of control and allow them to make more informed transport decisions
- These benefits have been linked to increases in satisfaction, patronage and modal share.

<sup>35</sup>Table BUS0606a. Department for Transport. Percentage of buses used as Public Service Vehicles with automatic vehicle location (AVL) device

<sup>36</sup>Evaluation of Real-Time Transit Information Systems: An information demand and supply approach. 2017.

## Systemic problems

The eight issues identified in the findings above are by themselves not the root causes of network decline in South Yorkshire. They are symptoms of the three critical factors that have caused patronage decline which need to be addressed before improvements can be made:

1. Insufficient funding
2. Lack of leadership
3. Lack of accountability

### (1) Insufficient funding for bus transport

#### *Central government funding*

Funding of the bus network in South Yorkshire is woefully inadequate, created by a perfect storm of insufficient Government investment, cuts to local authority budgets and declining fare revenue due to sustained patronage decline. CfBT estimate that in real terms funding for bus services in England has fallen by over £162m (43%) since 2009/10<sup>37</sup>. Funding for buses in London is £75 per head; in Sheffield it is £5. These cuts are hitting communities in South Yorkshire hard with a number of essential bus routes cancelled over the last decade because operators and authorities do not have the money to pay for the services they need to provide.

As highlighted by the May 2019 Transport Select Committee report *“Bus services in England outside of London”*, national government funding for buses is fragmented and distributed through different mechanisms meaning that regionally it is uncoordinated and does not allow for long term, strategic, investment in the network. Local authorities receive the bulk of bus funding through the Revenue Support Grant given to local authorities which can be used to finance revenue expenditure on any service. For bus operators in South Yorkshire, they receive support directly through Bus Services Operators Grant but also indirectly through ENCTS funding which is held and administered by SYPT. CfBT highlight that in real terms these three revenue sources have seen a consistent decline over the last decade, equivalent to a £234m reduction for local bus services<sup>38</sup>.

Some central government funding opportunities have been available to regions in recent years, most significantly the £1.7 billion Transforming Cities Fund. Commissioners found that the City Region is not investment ready and has therefore not been able to take full advantage of and enjoy the full benefits of such schemes. This is due to the absence of a co-designed regional long-term bus strategy, uncertainty over regional devolution and, more importantly, the convening of strong partnerships which share priorities and collectively deliver necessary improvements.

<sup>37</sup><https://bettertransport.org.uk/sites/default/files/research-files/future-bus-funding-arrangements.pdf>

<sup>38</sup><https://bettertransport.org.uk/sites/default/files/research-files/future-bus-funding-arrangements.pdf>

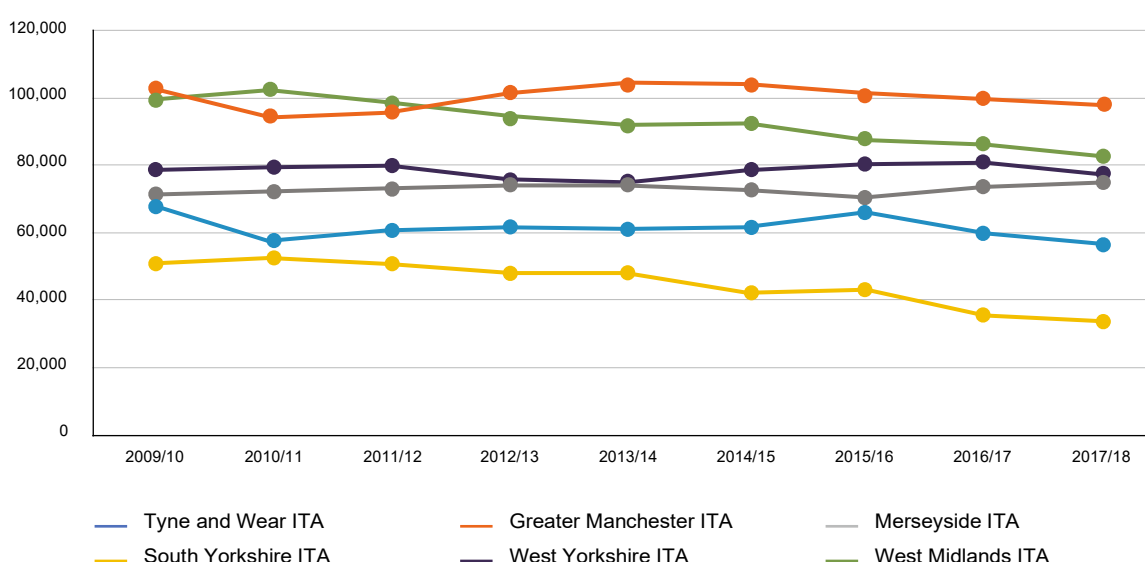
For example, the DfT ran an ultra-low emission bus scheme in 2018/19 which saw £48 million awarded to successful bidders for buses and infrastructure. Despite greener vehicles widely acknowledged as a priority for the region, no bid was submitted by SCR MCA or SYPTE because operators were not successful in making the financial case for investment. Again, indicative of the difficult operating environment in South Yorkshire. This is more important now new Government funding for buses has been announced and represent new opportunities for investment that SCR will find it difficult to take advantage of.

### *Local authority transport funding*

In parallel, successive Governments have made cuts to local authority budgets which have forced councils to divert money away from socially necessary services, community transport and targeted fare concessions to pay for other high priority services such as social care. Nationally, several local authorities have even taken the drastic step to stop funding bus services altogether.

In South Yorkshire, the SYPTE receives funding from each of the 4 local authorities to deliver the Combined Authority's statutory responsibilities in respect of public transport including procurement of tendered services, administration of the concessionary travel budget and operation of bus stops and transport interchanges. Budget cuts have subsequently led to a reduction of SYPTE's budget by 40% in real terms over the last decade, with a 39% cut to the funding of supported services<sup>39</sup>. This budget reduction far exceeds that of other metropolitan areas in percentage terms, despite also starting from a much lower budget level too.

**£m Spend on supported bus services & concessions**



<sup>39</sup>Evidence from SYPTE provided to the Bus Review



Local authority funding cuts have prohibited the important role buses need to play in connecting communities, especially the poorer and/or more isolated areas. These challenges were acknowledged by councils while providing evidence to the review - including Barnsley Council who said *“the tendered services budget should be increased to support more socially and economically important routes which are not necessarily commercially viable due to passenger numbers”*.

Despite this acknowledgement, all 4 councils also stated that no additional investment would be made from current local authority budget allocations and new funding would have to come from alternative sources such as central government investment, devolution funding or a transport levy.

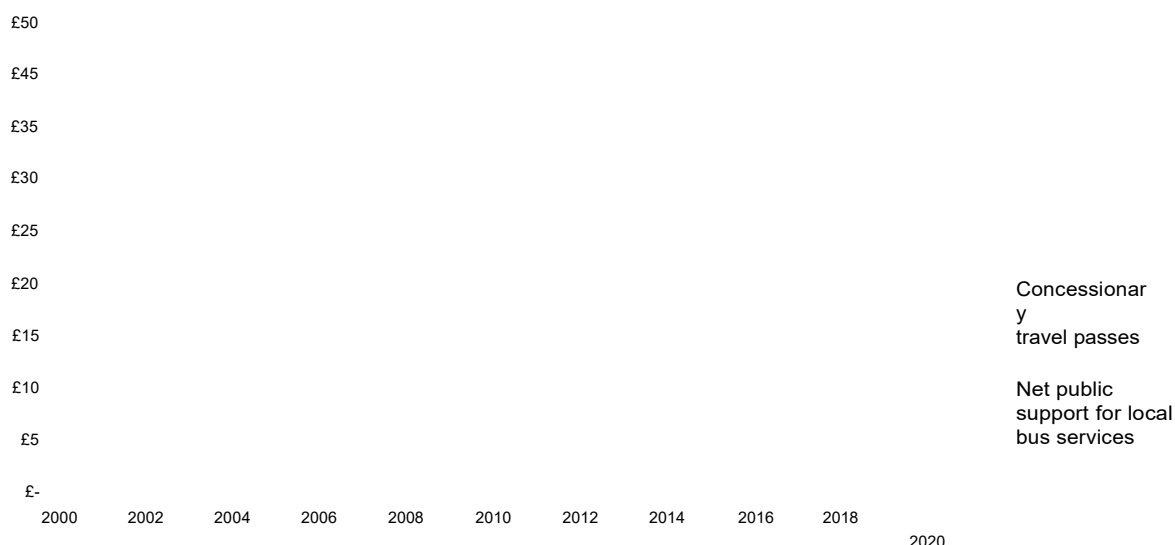
While Commissioners are sympathetic to the impact of local government financial austerity measures imposed over the last decade, the review has found that the current arrangements are not providing local authorities with the necessary impetus to address the impact of budget cuts and make necessary choices about bus services. In fact, having an arms-length body has provided local authorities with the ability to avoid taking public responsibility for the impact that their own budget cuts have had on SYPTE’s capacity to fill gaps left in the network by cuts to commercial bus services. Commissioners noted that similar financial pressures were present in other city regions (such as Liverpool) but have not had the same impact.

The time has come for local politicians to decide whether buses an essential social service as well as being one of the many drivers of economic growth.

## Commercial operation

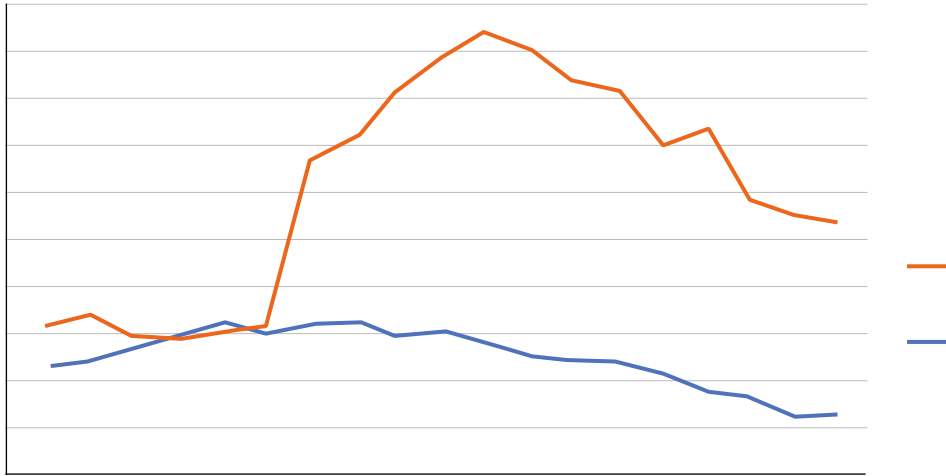
In a deregulated market, decline in patronage has meant decreased revenue and financial instability for regional bus operators; particularly for First South Yorkshire who incurred a loss of just over £290m in 2018 despite investment in fleet and new technology such as low emission vehicles. Analysis carried out by SYPTE (and verified independently by consultants) show that over a ten-year period, First South Yorkshire made an average annual loss of -1.3%. While over the same period Stagecoach Yorkshire made an average annual profit of +2.6%, this does not alter the fact that the South Yorkshire bus market is not profitable and unless a fundamental shift is made, it will not allow any reinvestment. This includes investment in technology, fleet upgrade including much-needed low or zero emission vehicles, higher frequency on popular routes as well as improved services for more remote areas in the evenings and weekends.

### Public sector financial support for the bus industry in South Yorkshire



Sources: DFT tables, Bus0505b and Bus0812b. Both tables are in constant 2018/19£s (GDP deflator). Note: from 2006, the statutory bus concession for older and disabled people was extended from a half-fare to full-fare discount, giving rise to the break in service between 2005/06 and 2006/07.

Annual support for the bus industry, by source (£ million)



## (2) Weak leadership

During the review Commissioners undertook visits to areas with strong patronage trends to learn from good practice that can be replicated in South Yorkshire. One common feature of all those places visited (or that came to give evidence) is that there is strong and effective leadership in place which creates stability and long-term strategic vision for bus transport. This is also apparent in Greater Manchester where the current Mayor (Andy Burnham) is a visible force for public transport transformation.

Bus transport leadership in South Yorkshire currently rests with several different authorities: bus operators, SYPTE, local authorities, and the Sheffield City Region Executive team. Other bodies such as the Local Enterprise Partnership do not hold responsibility but do influence key transport decisions. Through the review, organisations were able to talk at length about the challenges facing the bus system and why they were driving patronage decline. Yet, Commissioners identified limited ownership for these difficulties, and there was no collective strategic vision about how the challenges could be resolved. This has meant years of decline without any serious action being taken to improve the quality of bus services.

The review heard concerns about the leadership of bus partnerships provided by SYPTE and found weakness in the way it manages each of the bus partnerships, most significantly the relationship between the Sheffield Bus Partnership, Sheffield City Council and the bus operators which has almost completely broken down. SYPTE are a messenger for bad news (budget reductions and service cuts) but with no ability to influence or mitigate the declining quality of the bus network.

Although very basic key performance indicators are in place to monitor each of the partnerships, this is limited to patronage, punctuality, reliability and customer feedback volume. There is no use of intelligent data and customer insight, despite the objectives of the partnerships being much broader. Partnerships tend to be limited in membership, and unlike other areas visited, do not include representatives from organisations outside of transport but who have a shared interest in bus transport, including passengers.

A high number of critical comments were made to the review about SYPTE's leadership including its poor approach to handling and resolving customer complaints, the unwillingness to tackle problems with operators and management of service changes which the review has found leave passengers facing complexity.

In other city regions such as West Midlands and Greater Manchester, transport authorities and combined authorities operate under a single organisation, creating a close relationship between strategic and operational transport functions. Stakeholders raised concerns about how this operates in South Yorkshire, namely the lack of clarity in operation and strategic responsibilities between SYPTE and SCR MCA respectively.

The appointment of the Mayor in 2018 introduced the potential to establish single leadership in South Yorkshire, however this has been impeded by the lack of a devolution deal agreed with Government. It has therefore created an additional layer of regional leadership, which people are looking to for resolution of the bus system, but without the leverage and power to be able to deliver real change.

### (3) Lack of accountability

Most routes are run on a commercial basis and despite the partnership arrangements there is very limited or no accountability for the operation of services from elected representatives. As highlighted in Finding 6, despite SYPTE's role in facilitating bus partnerships, they have not held operators to account on agreed service change conditions. Commissioners heard that First South Yorkshire have recently breached the bus partnership arrangements in Sheffield but despite this, no action had or was being taken against them.

In respect of tendered services, the review found that there is a lack of accountability from SYPTE for monitoring the contracts it administers for tendered bus services and does not hold operators to account for delivering quality services as part of partnership arrangements. By contrast, the Liverpool, City Region Bus Alliance has instituted clear protocols for public consultation on all service changes so that passengers are notified and are involved when changes are proposed.

Passenger groups called for greater consideration of customer feedback as part of monitoring arrangements - citing instances where commercial services had been cut but taken over by different operators under tendered contract arrangements (and paid for out of the SYPTE budget). Passengers said that this transition frequently led to a reduction in the quality of services, including buses not turning up, but despite this feedback being provided to SYPTE, it was not taken into account.

Complaints received by passengers do not just focus on the inconvenience of the route and services currently in place. They also refer to the poor punctuality and reliability of services and the lack of efficient and effective remedial action being taken by SYPTE to address this through contract management. Service quality issues have been recognised by SYPTE however this has not resulted in swift action and no penalty has been placed on the operator for failure to deliver the current contract - indicating that contracts for social necessary services are drawn up for the benefit of operators not passengers. Instead, a plan of action has been agreed with the operator concerned which SYPTE committed to monitor before any further action.

One of the starkest examples of poor contract management is the current number 9/9a route in Sheffield (previously the number 6). Following service changes the route is now operated by two different bus companies (including First South Yorkshire). This means that customers who wish to travel on the full bus route need to alight part way and wait for a different bus, at a different bus stop, run by a different operator. There was no mention of this in consultation prior to the service changes being made and the timetable does not provide anywhere near information to explain the complexity of the journey.

Since taking up the contract, the two companies involved have been allowed to change the final destination of bus service but again with no consultation with passengers or elected representatives. The change has been made to simply accommodate operational arrangements of the bus company. In black and white terms, this service is paid for with public money and is not for commercial gain.

This was just one of the examples provided to Commissioners of poor contract management and the review highlighted that at present SYPTE are a toothless organisation which simply serves as a go-between for customers and operators, without adding rigour. The lack of sufficient monitoring of services means that limited budgets are not exploited for the maximum impact of bus users.

The review also found that there is a lack of accountability for the performance of SYPTE, with the organisation delivering statutory responsibilities on behalf of the SCR MCA without formally reporting formally to the Mayor or Combined Authority.





# Recommendations



Many of the challenges identified by the review will not be a surprise to those organisations who at present play a part in operating, financing and running the bus system in South Yorkshire. This report sets out each of the system failures in stark terms and from the perspective of passengers - a focus which seems to have been fallen by the wayside in recent years.

This region deserves better. It should and could have a world class bus system that works for the benefit of South Yorkshire's economy, its people and the environment. Other cities and city regions have been able to make more progress in arresting patronage decline and partnerships in those areas are better than those currently in existence in South Yorkshire. This means that in the initial years following this review, the SCR should pursue creation of an Enhanced Partnership as a way of stabilising the bus system and rebuilding bus partnerships.

However, if our ambition is high and we are serious about a sustained increase in the number of bus passengers, the system needs to operate fundamentally differently in order to address the significant challenges that currently exist. Only franchising will provide the SCR MCA with control over network planning and simple fares).

This will require a long-term vision and strategy; more than tinkering round the edges and making piecemeal improvements. Passengers need enhanced and stronger partnerships, that place their needs at the heart of how decisions are made. Governance of the bus system needs to be overhauled, with the prospect of franchising changing where leadership and accountability sits. Finally, and most critically, the region needs a continued, significant increase in the amount of money it receives that can be invested in bus services, infrastructure and innovation.

The necessary and substantial transformation cannot happen overnight. Time is needed for investigation, planning and coordination so that passengers end up with the best possible outcome. However, waiting is not an option either. In blunt terms, if no immediate improvements are made to stabilise the system, it is unlikely to survive for long enough to allow for longer term recovery.

This is why we, the Commissioners, propose a series of short, medium and long-term interventions that will support the bus system to go through a transition period from present decline to future success. We intend to return to South Yorkshire in 1 year to follow up on our report.

## Immediate (within 3 months of publication)

There is an immediate need to stabilise the bus market in an attempt to halt decline. In the 3 months after the publication of this report, we recommend enhancing the offer for passengers (in particularly young and disabled passengers) as well as investing in much needed new capacity and expertise to help oversee future improvements. The MCA should where possible use the agreed 2020/21 South Yorkshire Transport Revenue Budget as well as new devolution funding to support these immediate improvements.

- 1. We recommend the appointment of regional leader who can promote buses and maintain their importance on regional political agendas.** This advocate should promote a clear pro-bus position, lobby for additional funding and hold partners to account for delivering improvements. We recommend that ideally the Mayor take on this role, as other metro mayors have done, because of the need for clear political support for bus transport. We also saw examples of strong, non-political leadership in cities we visited such as Bristol and Brighton. The role will need support from local councillors, bus operators and passenger representatives.
- 2. We recommend creation of a clear universal offer for disabled passengers** that provides them with reassurance about support available if they are unable to board their intended service. During our visit to Brighton and Hove Buses we identified good practice that can easily be replicated in South Yorkshire. This includes the Helping Hand and Wheelchair Taxi Guarantee Schemes. The latter guarantees all wheelchair users free taxi transport if for some reason they are unable to board a bus.
- 3. We recommend an enhanced concessionary offer for apprentices.** This should offer reduced bus fares (comparable to existing offers for under 18's) to those undertaking an apprenticeship irrespective of age.
- 4. We recommend extending the ENCTS scheme to allow passengers to use travel passes on all services after 9.30am, including final bus services.** The current ENCTS scheme should be extended to allow elderly pass holders to travel after the 11pm restriction up to the point of last service.
- 5. We recommend simplifying the fares offers for young people in South Yorkshire** making it much easier for young people to access concessionary fares and therefore deliver growth of patronage. We have seen good practice by Merseytravel who offer young people aged 5-18 access to the £2.20 My Ticket without requiring a pass. This has helped Liverpool City Region achieve an almost 4% rise in the total of fare paying patronage.

6. **We recommend procurement of the necessary expertise to financially and legally investigate the process of franchising.** Lessons should be learned from Greater Manchester and Liverpool City Regions who are more advanced in exploring franchising, and from TfL where franchising has been operating for 30 years.
7. **We recommend procurement of independent expertise and capacity to facilitate and coordinate the transition of existing voluntary partnerships to a new South Yorkshire-wide Enhanced Partnership.** The review has identified the need for new leadership capacity and expertise to help SYPTE manage the transition of bus partnerships to a single Statutory Enhanced Partnership for the whole region that places customers at the heart of its purpose

## Short term (within 6 - 12 months of publication)

**In parallel to stabilising the current system, we recommend structural and strategic improvements that will start to address weak leadership, lack of accountability and insufficient funding for the benefit of passengers.**

8. **We recommend a pause on all tendered and commercial service reductions until December 2021.** The current cycle of decline between passenger loss and service cuts cannot continue and we believe that service provision needs immediate stability while the foundations of South Yorkshire's bus system are strengthened - including partnership and leadership. Suspending service changes will require mutual trust and investment between operators and budget holders, and appropriate mechanisms should be put in place to hold parties to account.
9. **We recommend co-development of a public transport implementation plan that builds on the SCR's Transport Strategy but also considers the anticipated National Bus Strategy** when it is published by Government. The plan should include a dedicated section on bus transport which is co-designed with and agreed by a range of partners including (but not limited to) bus operators, community transport, local councils and representative passenger groups. This plan should set out priority areas to attract future funding and ensure that as and when local or national funding is available, the region is 'investment ready'. The importance of co-development between partners should not be underestimated and we recommend a Memorandum of Understanding is put in place to cement the commitment from all parties to cooperate. Currently the lack of partnership and universally agreed priorities is holding this region back securing public and private sector funding, and ultimately passengers are paying the (high) price.

We recommend that this implementation plan include modal shift and passenger growth targets that can be monitored over the next three years. This aligns to the Transport Select Committee report Bus services in England outside London which recommends the Government set similar targets to meet environmental policy outcomes.

We recommend that the plan include a 'blueprint' (i.e. a network design) for a future public transport system. Network design should include consideration of population density, minimum service standards, accessibility and efficiency of bus stops, and transport interchanges - with a clear plan of how the public transport system will help the region to meet carbon emission targets.

10. We recommend creation of an Enhanced Partnership, using powers provided to the SCR MCA by the Bus Services Act 2017. The partnership should support a sustainable bus transport network that is easy to use, gets people where they want to go and when they want to go there. With the right focus and support, an Enhanced Partnership can deliver some of the necessary improvements needed to address the findings of this report.

We recommend one single South Yorkshire bus partnership supported by executive groups representing specific interests of each of the 4 local authority areas. While Enhanced Partnerships are statutorily between authorities and operators, advisory input from passengers (especially disabled and young people and non-bus users), Highways England, businesses and trade unions must be considered from the beginning of and as part of decision making.

An Enhanced Partnership should, as a minimum, deliver the following improvements and agree metrics for monitoring and accountability as is done in other areas. It should include guarantees and actions, including penalties, to be taken if targets are not hit. At the end of the initial period of enhanced partnership the success of it working, and the potential for it to deliver on all the objectives in this report will be reviewed, alongside the findings from recommendation 1 in deciding whether to move forward to a franchising approach.

- **Provide stability to the bus network**

- o Agree a single date for future service changes across South Yorkshire
- o Shared use of data to make improvements to the network
- o Agreed service standards covering punctuality, reliability, bus journey speed, vehicle presentation, and customer satisfaction
- o Develop and publish a set of customer commitments

- **Establish co-production through the Enhanced Partnership.**

This includes development of regional strategies and agreed universal priorities, but also ensuring passengers are involved in decision making - for example, in the design of new vehicles. The Partnership should also agree collective measures to tackle congestion.



- **Simplify ticketing and explore innovative fare structures**

- o Provide immediate clarity of ticket options
- o Rationalise the number of options available
- o Ensure tickets provide passengers with greater flexibility, without being financially penalised that supports - for example carnets which would offer flexibility for shift workers
- o Develop a universal fare strategy including a roadmap to fare capping and cashless payment that includes the introduction of consistent technology across all operators
- o Consider fare pricing and how concessions could be better targeted to support the regional economy

- **Build on the success of the TravelMaster scheme.** Expand the reach of the product and make it more attractive, to more passengers especially commuters by looking at travel to work data

- **Greater identity and centralisation**

- o Pool marketing budgets and develop a marketing strategy for the partnership - specifically target young people and existing car users
- o Unified brand identity across South Yorkshire, with some individual key routes branded with local cultural references
- o Shared operator services which create universal accessibility for customers
- o Work with local employers, particularly the public sector, to offer competitive corporate rates to incentivise modal shift
- o Improved advertising of the benefits of bus travel that encourages bus travel and is targeted on main corridors where congestion is a significant problem due to private vehicle use.

11. **We recommend that SYPTE ceases to exist as a separate organisation and is merged with SCR Executive team, with direct accountability to the SCR MCA.** A separate arm's length transport authority is no longer fit for purpose given devolution and we believe this presents an opportunity bring the two organisations together, creating single entity responsible for bus transport strategy and delivery in South Yorkshire. This is common practice in other City Regions - such as West Midlands, Greater Manchester and Liverpool City Region. In the Liverpool, there are clear lines of accountability between Merseytravel and the MCA, as well as alignment of strategic priorities such as improving connectivity to support economic growth. This merger should mark a cultural shift with a return to a clear focus on passenger needs and user centred transport design and delivery. Any financial efficiency savings of merging the two organisations should be reinvested back into the bus system - such as increased concessionary benefits or maintaining services.



12. **We recommend reform of the process for and system for tendering and monitoring social necessary services.** We recommend that the system is digitalised (as we have seen in other areas) creating greater efficiency but allowing for more effective monitoring of contracts. There need to be sanctions agreed for failure to perform. We also recommend a move away from a sole focus on low cost and allow greater consideration to passenger feedback and social value in the decision-making process. There needs to be flexibility for SYPTE in its current or reformed mode to determine what routes should be tendered. This needs to be agreed as part of the Enhanced Partnership to prevent commercial operations getting in the way of creating new and necessary supported services. More money should be available to increase the volume and quality of tendered services otherwise the standard of these services will continue to fall behind commercial services.
13. **We recommend that additional Government funding (and potentially a ring-fenced portion of the £30m a year devolution deal funding) is used for improvements to the bus system - prioritising interventions to tackle congestion. Changing the operating model alone will not solve the significant congestion problems across the region.** . We recommend that investment should be made in new infrastructure, improved bus priority measures, bus lane enforcement and better technology. This will improve reliability and journey speeds for the benefit of passengers as well as improve passenger information systems. Targets should be set by local authorities and bus operators to improve bus journey times through bus priority measures such as junction improvement and bus priority intervention including junction improvement and traffic light signal improvement.
14. **We recommend an increased and longer-term role of buses in tackling climate change. Road transport produces 36% of CO<sub>2</sub> in South Yorkshire.** If this region is to achieve its target for public transport to be net- zero carbon by 2035 then buses will have to be electric or hydrogen and there will need to be modal shift away from private cars to buses and rail, given that modal shift will not achieve this target on its own. The difficult problem of banning the use of all petrol and diesel vehicles will remain and the Government has committed to ban the sale of new petrol, diesel and hybrid cars by 2035 at the latest. Improving bus vehicles and services will not be the whole solution, but the nature of how this wider challenge is met is beyond the scope of this review

## Medium term (within 3 years of publication)

As current Government policy stands, some of the challenges outlined in this report can only be statutorily addressed under a franchising model, primarily network control and fare setting. While London is the only city in the UK to have a franchised bus system (having been exempt from deregulation under the Transport Act 1985), other City Regions are actively exploring the potential to bring their bus services under public control. Most notably Greater Manchester are further advanced in their investigation of franchising and we have been able to identify similarities between the two city regions - such as disjointed multi-operator bus networks, ticket complexity, low economic productivity and social challenges including high levels of inequalities. While we have not had access to any financial and legal information from Greater Manchester Combined Authority, our report and recommendations draw on the elements of their work which are publicly available.

15. **Franchising is not a quick and simple option and as demonstrated in Greater Manchester, the decision-making process requires a significant amount of time and resource. We recommend that legal and financial investigation of franchising in South Yorkshire begin immediately but that a final decision be made about whether to pursue the model is made after comprehensive assessment of whether the Enhanced Partnership has delivered necessary benefits. We recommend that a decision be made no later than 3 years after publication of this report. A paper to support this recommendation can be found at Annex G.**

The bus partnerships brought some benefits such as reduction in the number of buses and maintenance of frequency on certain routes by sharing between operators or sharing of less profitable routes. The current partnership arrangements are no longer fit for purpose, and the commercial operating environment is no longer delivering all of the benefits required for passengers. However, we believe that a new statutory Enhanced Partnership should be given a fair opportunity to succeed and should receive the support of everyone involved in providing bus services.

We recommend that the investigatory work considers the different options for franchising including contract models, ownership of depots, infrastructure, and fleet and who should take the revenue risk.

It should also consider alternative methods of delivering services as part of the franchised network, especially in more rural, suburban or isolated areas. This could include an increased role for social enterprises, community or cooperative transport or demand responsive transport such as Arriva Click which capitalises on smartphone app technology. This will be a lengthy piece of work and require specific skills and expertise that are not currently found within SYPTE or the SCR Executive team.

We recommend that the decision on whether to franchise the bus network in all or parts of South Yorkshire should be considered in parallel with decision making over the future of the Supertram network in 2024 to ensure buses are thought about as part of the whole public transport network.

Improving bus services alone will not succeed in achieving the objectives of tackling congestion, pollution and climate change. There needs to be significant investment in trams, tram trains and rail with proper coordination between the modes. It's recognised that given the significant differences between different parts of the city region it will be necessary to invest different sums in different ways if these objectives are to be met.

A paper to support this recommendation can be found at Annex G.

16. **We recommend bus policy is integrated into important allied policy areas such as planning, housing and transport.** Under a franchising system, stability in the network and public control can ensure that such decisions are made strategically and with confidence that investment in infrastructure improvements is consistent with plans for bus service development. We heard from Sheffield Council about their frustration that having invested in bus priority measures, the bus operator then withdraws or reduces the service. We need an overall planning authority (i.e. the MCA) that can regain control over our bus services, stop the decline, raise quality and reliability standards, and ensure we can deliver a reliable and attractive public transport option to the car. Modal shift from car to bus is a more important objective than ever. Greening our bus fleet will also help in the marketing of public transport as the environmentally friendly option for travel.

## Long term (+ 5 years after publication)

**17. We recommend exploration of municipal ownership of a 'regional bus company - potentially as an arm's length organisation from the MCA.**

Commissioners visited Reading Buses and heard from Nottingham City Transport about their municipal bus companies and were impressed with the levels of success both have achieved. During the review municipal ownership was put to us by a number of interest groups and the Transport Select Committee have previously recommended that local authorities be given a full suite of operating models including the option to create a municipal bus company. We recommend investigating the possibility for municipal ownership here in SCR but note that this is likely to be a long-term consideration.

A supporting paper developed by Commissioners can be found at Annex H.

**18. We recommend adoption of economic growth strategies that make towns and city centres more attractive to investors and promote the sustainable development of existing settlements as more attractive places for people to live and work.** This could include better use by local authorities of Section 106 or using powers available to the SCR MCA under devolution. Where possible, spatial planning policies should seek to discourage out-of-town employment sites and promote sites which will maximise accessibility using existing public transport networks. With the exception of freight and logistics where access to the national road and rail transport network is important, employment should be located on sites that help to promote journeys to work using high-volume public transport corridors. A more centralised employment pattern will make it easier, quicker and cheaper for people (especially those on lower incomes) to use buses to access job opportunities and can be served more economically by a city-regional bus network.

# Annexes



## Annex A

### Role of South Yorkshire Passenger Transport Executive (SYLTE)

SYLTE is the local government body responsible for public transport within the Sheffield City Region (SCR) MCA and is an executive body of, and accountable to, the SCR Mayoral Combined Authority (“CA”). Its broad responsibilities include but are not limited to:

- Day to day operational management and delivery of transport interchange sites at locations such as Barnsley, Doncaster, Rotherham and Sheffield.
- Maintenance, installation and removal of on-street infrastructure including 8,000 bus stops, shelters and timetable carousels.
- Provision of customer information through online and printed materials and through the Traveline service
- Retail of multi-modal travel products on behalf of the TravelMaster ticketing scheme in South Yorkshire.
- Online journey planning tools such as [travelsouthyorkshire.com](https://travelsouthyorkshire.com).
- Management of £5.6m contracts of subsidised bus services when operators are unable to provide services on a commercial (unsubsidised) basis.
- Support Community Transport services with funding of around £1.7m per year.
- Processing and management of bus pass applications and issue for the English National Concessionary Travel Scheme (ENCTS) to around 326,000 customers for elderly bus passes, disabled bus passes and children and young person's concessionary passes.



## Annex B

### Comparison of operating models

Operating Model	Pros	Cons
Outside London	<ul style="list-style-type: none"> <li>• Companies compete for business - leads to good service and innovation plus lower costs</li> <li>• Responsive to customer demand</li> </ul>	<ul style="list-style-type: none"> <li>• Evidence suggests not much switching for best deal as originally expected by privatisation - new routes take a long time to 'bed in'</li> <li>• Competition Act Rules out area wide common fare</li> <li>• Some profits go to shareholders</li> <li>• Data sharing restricted</li> <li>• Services may be withdrawn</li> </ul>
Enhanced Partnership/Quality Partnerships/ Bus Alliances <sup>41</sup>	<ul style="list-style-type: none"> <li>• Seems to work best with one main operator as per Brighton but not necessarily (e.g. York)</li> <li>• Can fit with wider objectives - congestion, employment</li> <li>• Some examples of achieving growth and good service ratings</li> <li>• Responsive to customer demand</li> </ul>	<ul style="list-style-type: none"> <li>• Competition Act Rules out area wide common fare</li> <li>• Some profits go to shareholders</li> <li>• Data sharing restricted</li> <li>• Services may be withdrawn</li> </ul>
Franchising - at present only London but Greater Manchester and Liverpool City Region planning to follow	<ul style="list-style-type: none"> <li>• Can give control of links to wider connectivity and transport network including ownership of data</li> <li>• Reduces operating costs</li> <li>• Public unaware of different companies - more unified product offer</li> <li>• Does not seem to deter competition - London averages 3 tenders per route</li> <li>• Social and community objectives easier to achieve (cross subsidy, etc)</li> </ul>	<ul style="list-style-type: none"> <li>• Takes time for local authorities to build up expertise</li> <li>• Financial risk for local authority - high cost given as reason why West Midlands not going for franchising</li> <li>• Danger of municipality using bus profits for other purposes</li> <li>• May not be responsive to customer demand</li> </ul>
Municipal Ownership e.g. Nottingham, Reading	<ul style="list-style-type: none"> <li>• Can give control of links to wider connectivity and transport network</li> <li>• Gives a clear sense of local identity</li> <li>• Reduces operating costs</li> <li>• Municipally owned companies make profits which can be ploughed back into service in the absence of shareholders</li> <li>• Municipally owned operations better growth record than other operating systems</li> <li>• Social and community objectives easier to achieve (cross subsidy, etc)</li> </ul>	<ul style="list-style-type: none"> <li>• Takes time for local authorities to build up expertise</li> <li>• Financial risk for local authorities</li> <li>• Ruled out by Bus Services Act</li> <li>• Cost - Not clear how bus companies would be compensated</li> <li>• Danger of municipality using bus profits for other purposes</li> <li>• May not be responsive to customer demand</li> </ul>

<sup>41</sup>Under the Bus Services Act, previous partnership schemes become 'Advanced Quality Partnerships'; there is a new category of 'enhanced partnerships', which go further than the partnerships currently existing and allow for a wider range of measures to be included. By agreement, local authorities within enhanced partnerships can take on service registration functions from the traffic commissioners.

## Annex C

### Commissioner biographies



**(Chair) Clive Betts MP** began his political career in 1973 and in 1976 was elected as a member of Sheffield City Council. He became Leader of the Council in 1987, having served on the Housing and Finance committees for several years. He remained on the Council until his election as Labour Member of Parliament for Sheffield Attercliffe from 1992 until 2010. From 2010 he was the Labour MP for the renamed Sheffield South East constituency and was re-elected in May 2015 and June 2017. Clive was appointed a Government Whip in 1997 and held the post until 2001. In June 2010 he was elected as Chair of the Department for Communities and Local Government Select Committee and re-elected for a second and third term following the 2015 and 2017 General Elections. Clive has been a key member on several Select Committees (Department for Environment, Transport and the Regions, Office of the Deputy Prime Minister, Department for Communities and Local Government.) His political interests include economic policy, local and regional government and housing.



**Kris Beuret OBE** is the Director of Social Research Associates (SRA) a company which specialises in public involvement and research into social aspects of transport. Kris has advised Government, the House of Commons Transport Committee, TfL and the DfT on equality issues. She has also served on the Disabled Persons Transport Advisory Committee (DPTAC) and is currently a Commissioner of the Independent Transport Commission.



**Stephen Joseph OBE** is a transport policy consultant, specialising in urban and local issues and in smart transport. He has worked for a series of non-governmental organisations and charities and was Chief Executive of Campaign for Better Transport (formerly Transport 2000) from 1988 to 2018. During that period, he led campaigns to reduce major road building, to increase rail investment including in new/reopened lines and stations, and to highlight the importance of buses and the impact of cuts in bus services. He was awarded the OBE (Order of the British Empire) in 1996 for services to transport and the environment. He was appointed a visiting professor at the University of Hertfordshire in December 2018, having received an honorary doctorate from the University in November 2010. At present, Stephen is a trustee of the Foundation for Integrated Transport and is on the steering group of the Foundation's Transport for New Homes project. He chairs the Smart Transport board for Bauer Media and is an adviser to the Rail Devolution Network. He is also chair of the Liverpool City Region Bus Alliance Board.



**Peter Kennan** is a Chartered Accountant and Chartered Tax Advisor. He became a specialist Tax Partner in accountancy and tax practices with offices in Sheffield and Doncaster in 1989 and had 27 years in that role until retiring in 2016. Peter has chaired Sheffield Chamber of Commerce Transport Forum since 2012. He is a trustee of three charities in the areas of health and education. Chair of Sheffield Chamber Transport Forum. Sheffield City Region Local Enterprise Partnership - Private Sector Board Member. Transport for the North - Board Representative for Sheffield City Region LEP. Charity Trustee. Railway Enthusiast.



**Martin Mayer** has spent his working life in the bus industry as a bus driver firstly in Lancaster (1974-1975), in London (1978-79) and then in Sheffield (1981-2014). He was elected as a TGWU shop steward in 1983 and served as TGWU then UNITE Branch Secretary for Sheffield platform staff continuously from 1990 till his retirement in 2014. Martin steered the union branch through significant changes that followed: SYPTE bus services transformed into an Employee Owned Company before finally being privatised to First Group in 1993. Martin served on TGWU then UNITE's Executive Council representing the union's National Passenger Transport Sector from 1994- 2014. He represented UK transport workers on the European Transport Workers Federation (ETF) and served as Chair of the Road Transport Section of the International Transport Workers Federation (ITF) from 2006-2014. He also represented UNITE on the Labour National Executive Committee from 2011 till 2017.



**Lily Currie** is a final year BSC Environmental Science student at Sheffield Hallam University, with a keen interest in public transport. She has recently returned from a year in Finland, where she was on placement and also studying, including looking at local transport and transport transformation. At present Lily is planning her dissertation on the topic of public transport use.



**Dawn Badminton-Capps** is Director for England with Bus Users. Dawn has extensive experience of the public and NGO sectors, particularly around community and stakeholder engagement. Dawn works with central and local government, operators, passenger groups and local communities to improve services, and to raise awareness of the importance of inclusive, accessible transport.

# Annex D

## South Yorkshire Bus Review Terms of Reference

### 1. Introduction

The Sheffield City Region Mayor (Dan Jarvis) has launched a time limited commission to examine all aspects of South Yorkshire's bus transport system and services with a view to identifying and recommending improvements that will benefit users as well as supporting the broader sustainability of the bus transport sector.

### 2. Purpose

The Bus Review is being undertaken to provide the Mayor with independent assessment of:

- The current condition of the commercial bus and community transport sector in South Yorkshire, including the reasons for the decline in both registered bus services and bus passenger numbers;
- The social, environmental and economic impacts of this decline in bus services and passenger numbers; and
- The steps which should be taken to ensure commercial bus and community transport services meet the needs of South Yorkshire residents.
- Specific key lines of enquiry (KLEs) flowing from the above have been determined by the Chair and the panel of commissioners; in addition to the Mayor's transport ambition as articulated in the SCR Vision for Transport and related Transport Strategy. The Review will broadly consider:
  - Trends in bus use, factors contributing to these trends
  - How to increase bus patronage - generally as well as in relation to different demographic groups including young people, the elderly, minority ethnic groups; key workers; those on low incomes, those with mobility issues;
  - How to improve provision for potentially isolated residents and communities;
  - How to improve 'quality' of services with an emphasis on the bus user experience;
- The relationship between the bus system and other modes of transport and travel such as the tram network and active travel;
- The implementation of bus priority measures by local leaders in South Yorkshire;
- The environmental impact that buses can have on congestion, pollution and air quality;

- The commercial operation of the bus sector including the responsibilities of bus operators, strategic planning and regulatory matters;
- Adequacy of funding and best approaches to securing future investment in the sector and ensuring sustainability; and
- What can be learnt from other towns, cities and/or city regions about any of the review's key lines of enquiry.

### **3. The Review Panel: Chair and Commissioners**

The Review will be chaired by Clive Betts MP. The Chair will lead the work of the Review to ensure that it independently considers all the evidence available to fulfill its purpose.

The Chair will be supported by a small (>6) panel of independent commissioners. The appointment of these commissioners will be determined by the Chair taking into consideration advice from SCR MCA officers (who will provide a Secretariat function - see below).

The ambition will be to appoint a 'balanced panel' comprising a range of independent experts and informed user voices and having regard to diversity criteria.

Stakeholder groups, such as transport operators, will not be directly represented on the Commission - though their informed views will be sought and given full consideration in evidence gathering.

Officials will support the Chair throughout the appointments process.

### **4. Timescales and Meeting Frequency**

The Chair and the panel will meet on a monthly basis as a minimum and will hold meetings with external stakeholders. They will decide how they wish to gather evidence for the review including the balance of meetings held in private and in public.

Interim findings will be presented to the Mayor for discussion in Autumn 2019 with a final report including recommendations submitted by early 2020 at the latest. A final report will be published at the end of the full term of the inquiry.



## **5. Review outputs**

The output of the Review should be a report that:

- Summarises the evidence available in relation to the three areas set out in section 1.
- Draws conclusions on what this evidence is saying in terms of the performance of the bus network.
- Makes recommendations to the Mayor on the actions he should take to address this issue.

## **6. Secretariat Support**

The Review will be supported by a small secretariat function provided by the Sheffield City Region Executive. Working with the Chair, the function will be responsible for:

- Organising meetings of the Commission and providing secretariat support;
- Supporting evidence gathering activities, including any call for evidence;
- Supporting stakeholder engagement processes in concert with the Chair and Panel; and
- Bringing together the interim report and report of the Review outcomes.

Subject to discussion with the Chair, the work of the Secretariat may be supplemented with specialist technical analysis. This will help bring together the evidence received and support the panel in its interpretation and the development of conclusions.

A budget (to be determined) will be made available for the Review to meet the costs of dedicated secretariat support, additional specialist analytical support, and external travel and events.

## Annex E

### List of stakeholders engaged with during the review

Abellio	Office of the Director of Public Health
ACORN Sheffield	Sheffield City Council
Age Friendly Barnsley	One Bus
Age UK Barnsley	Peak District National Park Authority
Barnsley and Rotherham	Reading Buses
Chamber of Commerce	Rotherham Metropolitan
Barnsley Metropolitan	Borough Council
Borough Council	Rotherham Transportation Board
Better Buses Greater Manchester	Save Our Buses Petition Group
Bradwell Parish Council	Sheffield City Council
Brighton and Hove Buses	Sheffield City Region
Campaign for Better Transport	Co-Operative Panel
Chapeltown Petition Group	Sheffield City Region Overview
City Taxis	and Scrutiny Committee
Climate Change Alliance	Sheffield City Region Transport Board
Community Transport Association	Sheffield City Region Youth
Confederation of Passenger Transport	Combined Authority
Councillor Jake Lodge (Worsbrough)	Sheffield College
Councillor Nicola Summer	Sheffield Trade Union Council
(Rockingham)	South Yorkshire (Youth)
Councillor Paul Turpin	Bus Users Groups
(Gleadless Valley)	South Yorkshire Freedom Riders
Councillor Rachel Blake	South Yorkshire Passenger
(Rossington and Bawtry)	Transport Executive
Dame Sarah Storey, Sheffield City	Stagecoach South Yorkshire
Region Active Travel Commissioner	Stagecoach UK
Derbyshire County Council	Thurgoland Parish Transport Group
Doncaster Councillor Drop-In	TM Travel
Doncaster Metropolitan Borough	Trade Union Congress
Council	Transport Focus
First Bristol	TravelMaster
First South Yorkshire	Uber
First Bus UK	Unison
Greener Journeys	Unite the union
Institute for Transport Studies,	University of Sheffield Student Union
University of Leeds	Urban Transport Group
Merseytravel	Vision Strategy Group, Barnsley
Nexus	Walkley Community Forum
Nottingham City Transport	

# Annex F

## Commissioner visit reports

### Thursday 5th September - First Bus Bristol

#### Key initiatives

- **2013 Fairer Fares policy** promoted by new City Region Mayor as a result of passenger concerns at high fares/poor services. First agreed a simple flat fare in which 70% saw a cheaper fare
- **City centre residents-only parking policy introduced.** No more free parking in city centre and an important change that has discouraged car travel to the city centre.
- **Bus improvement scheme developed.** First's Greater Bristol Bus Network has revamped 10 major corridors, route branding, new vehicles etc. Public authorities have provided new bus shelters, real-time information etc.
- **New Metro Bus Rapid Transit.** 3 new routes M1, M2, M3 branded buses on high frequency, high quality, limited stop corridors - serving a major park and ride site and the university. £230M Government finance (road construction, dedicated busway, new bridge) Finally started in service in 2018/2019.

#### Investing in greener buses

At first, some high-profile experiments with Government grants to make the fleet greener. This raised the profile of greener transport and was popular with customers. For example, First Bus made joint bid with City Council to DEFRA for funding for Euro 6 buses - adding to the already 160 Euro 6 buses in Bristol. They also run 22 bio-methane "carbon neutral" double decker vehicles which run on gas, mostly on the Metro route and have received a Government grant for tank, compressing and filling facilities. Vehicles are slightly more expensive to buy but fuelling costs are up to 15% cheaper, so commercially a success. And it is a positive contribution to Bristol that public transport is going green.

#### Bristol Control Centre

2 years ago, City Council invited First to move its control centre into their own new state of the art facility for overall traffic management/emergency services control. In the event of a traffic hold-up or emergency, immediate coordination is possible.

### **Standard and simple fare structures on all services**

£2.25 single fare, short hop £1.20. £4.50-day ticket, £18.90 weekly (£20 on-board the bus). Group ticket up to 5 passengers travel for the price of 2. Very big promotion of mobile tickets; now 60% of all tickets sold. Metro services are cashless.

### **Improving reliability**

- A Punctuality Improvement Partnership has been set up by Bristol City Council Transport Department. Undertaking a route by route review to identify congestion hot spots. One interesting feature is the MD sits in a room of bus drivers going through the route “yard by yard”. This started only this year and has led to a long list of planned interventions.
- Q-Buster programme being introduced. 20 spare buses and drivers to be used to fill in gaps in service.

## **Friday 6th September - Reading Buses**

### **Key initiatives**

- Local economy is vibrant, wages are high and unemployment low
- Investment in high frequency services making bus use attractive
- Reliability. Heavy emphasis on getting the service operating to time
- Simple fares. Flat fare £2 single, £4 all-day.
- Quality. Branded vehicles with bespoke buses including interior design features specific to each route.
- Bus operator and Council engaged in common planning strategy
- Local company with awareness/knowledge of local factors

### **Reading Buses app**

Reading Buses has invested in a very high-quality app for mobile phone users. It provides live timetable information, journey planning and the ability to buy mobile tickets. Considered to be one of the best apps in the country and there is a very high take-up with passengers.

### **Investment in customer services and marketing.**

There is a Reading Buses travel shop in the city centre and a lot of advertising to promote bus use including route branding

### **Investment in new technology**

Always trying to be innovative. Very demanding on new bus spec - nicer floor lay-out, absence of upright poles (they cause rattles), introduction of sofa style seating on some buses, real time video display including bespoke one for disabled wheelchair bay, USB ports at every seat, colour-coordinated interiors to match route branding.

# Monday 4th November - Brighton and Hove Buses

## Key initiatives

- **Need for a vision** - the crucial role of the bus in the community - target all demographic groups. "Our purpose is to give those we serve the freedom to connect with the people and places they value most so that they can live their lives to the full. We are "more than just a bus company".

Local art and heritage reflected on bus liveries

- **Customer first/at the centre**

- o Trust and collaboration the key aim
- o Partnership with credit unions and student unions to facilitate up front season ticket costs
- o Aim for no cash tap in and out (currently up to 83%) multi-operator ticketing - some off-bus sales
- o Dedicated customer liaison manager (awarded MBE for customer service) and visible customer hub in high footfall area
- o Imaginative use of posters and social media - including suggesting new day out trips
- o Helping Hand scheme and lots of help for disabled people including wheelchair user taxi guarantee
- o Parents evenings and worked with young people to design range of Bus ID Cards (very popular as general ID)
- o Piloting neighbourhood travel advisors
- o Ongoing research into new travel patterns
- o Free bus travel for the first four weeks to new jobs

- **The importance of partnership**

- o Work with Council on joint interventions to maintain punctuality - planned and in real time and including research to monitor and develop measures to cope with disruption.
- o Liaising with developers to plan bus services - housing, education and industrial
- o Good co-operation with two smaller independent bus companies
- o Good links with rail companies (train times on Metrobus)
- o Work to promote walking and cycling linked to bus use
- o Work with the LEP and Transport for South East to influence investment decisions

## Examples of Innovation

### Metrobus Fastway Service

- High frequency 24-hour service
- First BRT guideways in the UK
- Doubled passenger growth in the last decade
- real time rail information on bus.
- Connections from Rail Stations and residential areas to Gatwick Airport and Manor Royal Business District
- New buses every 5 years since introduction in early 2000's
- USB charging at every seat and free on-board Wi-Fi
- Audio/Visual Next Stop announcements
- Real Time Rail Info on approach to railway stations with platform numbers.

### Lewes Road Bus Lanes

A259 bus lane - ridership up 67% with services 2-3-minute frequencies.

### Vehicles

High expenditure on new vehicles, move to electric plan (fuel cell and solar), buses have double space for buggies, wheelchairs, tables (including encouraging people to sit there to talk to each other), facing seats at back of upstairs (reduces problem behaviour). Wi-Fi and chargers at every seat. Working on Air Quality Strategy Euro 6 and electric hydro buses with zero emissions.



## Thursday 20th February - East Yorkshire Buses

### **Key initiatives:**

- Need for a vision - the crucial role of the bus in the community - target all demographic groups - don't assume who will or won't use buses or what services they will use
- Climate change - a new marketing opportunity
- 'Local authorities get the networks they deserve' - need for bus company to meet LAs and other stakeholders monthly to ensure buy-in
- Front facing staff - good will and training crucial
- Customer first/at the centre

### **Livery and vehicles**

- A specific Scarborough bus livery with an element of red reflecting the heritage of the old NBC days
- New buses
- Importance of vehicle presentation - immediate repair strategy

### **Information and marketing**

- New and better customer information emphasising reasons to use the bus and ideas for things to do
- A lot of communication with stakeholders including local authorities, education, business, retailers to build up networks
- New timetables - which included services of other companies (Arriva, Yorkshire Coastline)

### **Services**

- An open top service serving the coastal holiday parks
- Higher frequencies in the summer
- Restarted evening services in co-operation with Scarborough Chamber of Commerce - 2-year trial
- New buses on tendered services (previously poor standard of vehicles used)

### **Ticketing**

- Agreed through ticketing including a discounted 'add on' to the local ticket for longer journeys e.g. York
- New tickets - e.g. carnet for part-time workers, building contactless but 3% transactional costs, subscription service tops up with continuous payments

### **Staff**

- New uniforms designed in consultation with staff
- 1-2-1 discussions between managers and staff - led to improvements such as keeping depots open out of hours, improving security - e.g. better supervision along seafront 'trouble' spots
- Innovative annualised hours contracts (e.g. 8 months pay over 12 months)
- New methods of recruitment targeting women drivers
- New customer service training
- Attendance at marketing events by senior managers and Go-Ahead CEO led to feeling valued

## Annex G

### The franchising option

#### What is franchising?

Under the franchising model, bus services are brought under public control. The bus network is designed and controlled by the public authority (in this case the Sheffield City Region Combined Authority). The actual delivery of the bus services and routes are then contracted out to one or more bus operators according to the direction of the public authority.

Currently in the UK, only London has a franchised bus system. TfL (Transport for London - the public body responsible for public transport in the capital) controls and designs the network. The routes, frequencies and fares are controlled by TfL. Bus routes (in some cases groups of bus routes) are contracted out to a private operator via a tendering system. Contract lengths vary but are usually for 5 years.

The Transport Act 2008 allowed for franchising of local bus services outside of London for the first time since the Transport Act 1985 brought in deregulation and privatisation. Legal obstacles proved difficult to overcome and despite some exploration, franchising has not been introduced by any public authority. Subsequently, the Bus Services Act 2017 has removed some of the main barriers to franchising making it easier for Combined Authorities to bring bus networks back into public control.

#### Why franchising?

Bus deregulation has not solved the problem of declining patronage. Despite promises that deregulation and competition between bus operators would lead to lower fares, additional services, innovation and an increase in passengers, this has not been the reality in South Yorkshire. Public authorities have no control over the bus network and very little influence over commercial decisions made by operators.

The first five years following deregulation saw a 50% fall in passengers across South Yorkshire and passenger numbers have declined almost every year since then albeit at a slower rate. Evening and weekend services have been disproportionately affected because they are less profitable. All night services have disappeared as have a number of less-well used but strategically important “outer circular” services. While services could be reintroduced with support from local authorities under a tendering process, council budget cuts have prevented this process from continuing except for the most socially necessary services e.g. school bus services. Bus fares have risen consistently above inflation, frequent timetable and route changes have caused confusion and instability and reliability has declined to worrying levels.

Because of the challenging operating environment, bus operators have concentrated on more viable radial corridors where passenger numbers are higher, and profits can be made.

Bus partnerships brought some benefits at first - but are no longer working. In 2012 the first formal Quality Partnership was signed between the bus operators and SYPTE for Sheffield. The threat of franchising being introduced by authorities exercising powers given to them by the Transport Act 2008 was very real and could be seen as a strong incentive for all parties to work together for the benefit of passengers.

There were some immediate tangible benefits of partnerships. "Over-busing" was addressed by sharing the routes between operators which created commercial savings while delivering reliable and still very frequent service for passengers. There was a fairer sharing out of less profitable services and some important fares reductions notably for day, weekly and monthly multi-operator tickets). Finally, in order to achieve stability, commitments were made to make service and timetabling only once a year. Similar partnership deals then followed suit in Rotherham, Doncaster and Barnsley.

Problems with partnerships emerged quickly. Within just 3 years, the bus operators argued that the current network was unsustainable in Sheffield. In September 2015, despite strong opposition, drastic service reductions saw one in ten buses taken off the roads in Sheffield, which was the biggest ever reduction in one day throughout the whole history of bus deregulation since 1986. Most severely hit were the remaining less-profitable services, but also significant service reductions on evening and Sunday services across otherwise frequent core routes. Both major bus operators (Stagecoach Yorkshire and First South Yorkshire) have revealed profitability concern, with the latter running at a loss and the former not making sufficient profits to enable sustainable reinvestment. All of this is despite universal acknowledgement that buses are the backbone of South Yorkshire's public transport system.

The current system is leaving some passengers and communities isolated. Some parts of the region, particularly rural or suburban communities are not served by frequent bus services despite apparent demand. Frequency of evening and weekend services, even in more urban areas, can be poor - perhaps every 30 minutes at best, but often hourly or less after 9pm). Passengers lack confidence in the system and this is driving them to use other forms of transport - particularly private vehicles which increase the strain on already congested and polluted road networks.

## **The advantages of franchising**

### **Long term stability**

As a very minimum, the franchising option would give the Sheffield City Region Combined Authority the ability to halt the decline in bus service provision in Sheffield. Stability is now one of the most important basic objectives if we are to retain any sense of a viable bus network. People need to know they can rely on buses and make long-term decisions about where they live and work.

### **Control over the network**

Under franchising, the Sheffield City Region Combined Authority would gain control over the design of the bus network and therefore be able to prescribe where services run, how frequently they operate and how much passengers should pay. Years of service changes and cuts have all but destroyed any sense of a cohesive bus network and there is a lack of integration and coordination. Reduced frequencies and reliability problems make it more difficult for passengers to plan a journey involving more than one bus or mode of transport. Even where different routes share a common corridor there is no timetabling efficiency to ensure even spacing of buses. Connections to important hubs such as railway station and employment sites are grossly inadequate. Even with existing resources, the network and timetables could be re-designed for the benefit of passengers.

### **A common simplified fare structure**

Only through franchising can we achieve a common simplified fare structure and consistent payment functions on all buses - specifically contactless as with the fleet in London. Not even enhanced quality partnerships can deliver this. A consistent fares policy for single tickets, day, weekly and monthly passes will be much more attractive to both existing and new passengers.

### **High standards of service delivery and reliability**

In a franchised system tenders can specify minimum requirements about quality of service delivery and reliability. Currently only the Traffic Commissioner can intervene in cases where bus operators fail to deliver registered services. In practice this only happens in exceptional cases. Under a franchised operation, sanctions can be applied to operators who fail to deliver to the terms of the contract - even the withdrawal of contracts.

### **The climate emergency - buses must be part of the solution**

We need an overall planning authority that can take back control over our bus services and ensure they are part of the solution to delivering a reliable and attractive alternative to the car. Modal shift from car to bus is a more important objective than ever. Use of ultra-low or zero emission buses can also be specified in tendered contracts. A cleaner, greener bus fleet will also help in the marketing of public transport as the environmentally friendly option for travel.

### **Accountability and the return of a public service**

Service reductions and improvements become the responsibility of the public authority not the private operators. Under franchising, elected representatives can be formally held to account for system performance in a way that private operators are not.

### **Joined up thinking - planning and infrastructure**

We heard from Sheffield Council about their frustration that having invested in bus priority measures, the bus operator then withdraws or reduces the service. Under a franchising system, stability in the network and public control can ensure that such decisions are made strategically and with confidence that investment in infrastructure improvements is consistent with plans for bus service development.

### **Franchising - different models, different benefits, different costs**

A franchised bus system may bring bus services back under public control and there are many different models of franchising which all have implications for cost, passenger benefit and the impact on employees.

### **The London model**

TfL uses a route tendering system whereby individual routes (or combinations of similar routes) are put out for competitive tender. Contracts vary in length but usually they are for 5 years. Most contracts include the price of new buses, specified by TfL, and all the ticket revenue is collected by TfL. The private operators in effect tender for the cost of operating empty buses to the contract specifications, and are given new buses to operate them with, to the timetable and fares set by TfL. The “risk” all falls on TfL, not the operator. The franchise model delivers a “one service, one brand” network of high quality and delivers an integrated, easy to use system with a simple and attractive fare structure. There are flaws with this system. The franchising system is administratively expensive as there is a proliferation of short-term contracts for very small parts of the network. However, for the employees there can be uncertainty and instability as contracts change hands frequently requiring bus drivers to move to different garages and different employers when contract change hands. Worse still, operators compete for tenders based on price, and with fares and even the vehicles already pre-determined, labour costs become a determining factor. Driver shortage and industrial relations problems have been a recurring problem.

## **European models**

Franchising out the old municipal network to a single private operator has been the most usual form of privatisation in European towns and cities. For the travelling public there has been very little obvious difference between the municipally owned and franchised model. In most cases the entire network has been franchised to a single private operator who has taken over the employment of all the staff, and the operation of the depots and vehicles. Most franchises are long term, typically 30 years. In most cases, the trade union collective agreement for the urban network has been carried over so there has not been such a noticeable decline in bus employees' terms and conditions as we have seen in the UK. Some French municipalities retained ownership of the depots and vehicles and even retained the workforce as local authority employees. The privatisation in effect was simply a "management contract".

## **Possible franchising models for South Yorkshire**

The Bus Commission heard evidence from all four local authorities, and it is clear that the franchising option was most desired in Sheffield where confidence in the private operators is at rock bottom, and least keenly welcomed in Barnsley where some of the benefits of the bus partnership model are still generally appreciated. Doncaster and Rotherham fell somewhere in between Sheffield and Barnsley.

### **One franchise or many?**

One of the costs of franchising is the administration of the franchising system. Supporting a system that deliver a multiplicity of small contracts over a short period of time is inherently expensive and certainly not desirable for the employees for the reasons stated above. A long-term contract with one employer is preferable, and it lends itself more readily to a single collective bargaining agreement that delivers good stable wages and conditions to the staff, a vital ingredient to the delivery of a world class public transport system.

### **Who owns the buses and the depots?**

If public authorities own the depots and the fleet, the tendering process is more likely to attract the best operator from outside the region who does not already own assets in the region. It also secures the workplaces for the employees who have some certainty and continuity if and when contracts change hands.

### **Who takes the revenue - and what are the implications for the tender price?**

Should the franchise be on a cost only basis or on a revenue basis? In London, the bus operator hands all revenue to TfL so bears no commercial risk. They simply tender based on the cost of running empty buses to the specifications of the contract. By contrast, UK rail franchising required the rail operator to take the risk, but they are able to keep ticket revenue and base their tender on passenger trends and revenue flows.



### **Is shared revenue risk an option?**

One possible option is to share the risk with operators. This would give both partners the incentive to deliver a world class service that generate passenger growth and consequently increased fares revenues. The bus operator is incentivised to ensure very high standards of service delivery as any deterioration in reliability will lead to reduced patronage. The Combined Authority is incentivised to deliver on infrastructure promises such as bus priority measures and infrastructure.

### **What is the cost of franchising?**

Franchising may incur some costs. There are four main areas that could incur costs:

- a) The administrative cost of managing a franchise
- b) The contractual cost of reimbursing an operator to deliver the service
- c) Possible increased staffing costs if the necessary harmonisation upwards of wages and pensions costs is to be delivered
- d) Taking assets such as the bus depots and the fleet in public ownership

#### **The administrative cost of managing a franchise**

Whilst some new expertise would be required to design an improved network and administer the franchising process, there is scope to make use of existing SYPT and Sheffield City Region Executive staffing costs. Some existing functions provided by both organisations will be superseded by the creation of a singular transport authority.

#### **The contractual cost of reimbursing an operator to deliver the service**

If the decision is made for one operator to provide a single network (e.g. Sheffield) including tendered school bus services, the expectation should be at worst a zero cost. After all, the successful contractor will gain operation of the network with exclusive rights and face no competition for the duration of the contract. There is potential for passenger growth under the franchising, so profitability is likely to grow in time. However, there will be pressure to reinvest surplus profit into service improvements and expansion.

#### **Possible increased staffing costs if the necessary harmonisation upwards of wages and pensions cost**

It will be necessary to harmonise upwards the wages and pensions of bus employees under a common collective bargaining agreement. However, the cost of this is likely to be diminished by significantly reduced staff turnover costs. Both Stagecoach and First offer lower rates of pay for new starters but experience very high turnover costs because the demands of the job are great and the rewards low. The trade unions have consistently pointed out that this is a false economy because the cost of replacing staff and retraining is high. Improved industrial relations would also help retention as currently morale of the staff is very low.

### **Taking assets such as the bus depots and the fleet in public ownership**

This is a capital cost that cannot be avoided if we are to deliver the best conditions for franchising and attract the best operators from outside the area including European operators. There would be a return as the successful franchisee would pay a commercial rent. Therefore, it may be a viable option to acquire the assets via public sector borrowing provisions, currently at very low levels of interest. A substantial proportion of the current bus fleet is leased, and many older vehicles have a very low asset value. The costs of acquiring the assets would be relatively low compared to other costs associated with franchising.

**There will be a cost to franchising, but with thorough planning and investigation the cost is containable - and can be justified.**

## Annex H

### **The Municipal Ownership option**

#### **The Commission was asked by interest groups to look at the municipal ownership option**

Trade unions and community groups made representations to the Commission that our local bus services should be brought back under municipal ownership and control. They argue that the decline in the region's bus services can be traced back to the privatisation and deregulation of bus services. Prior to this, SYPTE operated a highly successful municipal bus network across South Yorkshire with the lowest fares in the country. Between 1981 and 1986 significant passenger growth was recorded each year, bucking national trends. A highly frequent and largely reliable service was operated, with high frequency timetables at peak times, and an extensive early morning, late evening and Sunday network including an all-night service on key routes.

#### **Terms of reference, legality and feasibility of the municipal option**

The Commission has been asked to examine the state of the bus industry in South Yorkshire and the options available to the City Region Mayor for improvement. The option of municipal ownership, if in the future it exists, would no doubt face certain obstacles. While a 2019 Transport Select Committee report supported the right of local authorities to establish new municipal bus companies, a clause in the Bus Services Act 2017 prohibited the setting up of a new municipal bus company.

There is some evidence to that this would not necessarily prevent the purchase of an existing bus company. However local authority budget cuts have hit councils in South Yorkshire hard so the option of purchasing an existing bus company might present an insurmountable financial obstacle. It would also mean that unless the Combined Authority could purchase a whole bus network, the municipally owned company would still be in competition with commercial operators.

## **Municipal ownership of bus services in UK**

The number of municipally owned bus companies has been in long term decline in the UK ever since deregulation and privatisation was introduced. Only 9 municipal companies have survived to this day despite facing some challenge of privatisation and competition.

We heard evidence from Nottingham City Transport as part of the review. The city's tram system is integrated with the bus network and there is little competition from private operators on the main city network. The fact that the system is municipally owned means Nottingham City Council can effectively integrate transport, planning and parking policies to ensure high use of public transport. A highly successful parking levy helps to fund the public transport system whilst also encouraging modal shift away from the car. At the 2016 UK Bus Awards, Nottingham City Transport was named UK Bus Operator of the Year for the third year in a row.

Public ownership is very much the norm elsewhere in Europe, such as in Germany where publicly owned operators provide 88% of all local public transport journeys. In France, where contracting out under a franchising model became the norm across most cities and towns outside of Paris, there has been a strong trend back towards municipal ownership and control. It seems that austerity spending cuts have put pressure on Local Authorities to examine their spending, which has led to the discovery that is cheaper to run the local bus services themselves and may even lead to a positive revenue stream back to the local council's coffers.

Commissioners also visited Reading Buses, a municipally owned bus company.

## The advantages of municipal ownership

The Bus Commission believes that whether or not municipal ownership is a viable option in the short term under the current Government, the benefits of public ownership can't be ignored and should be kept firmly on the table for the future if conditions become more favourable. Publicly owned buses have already been recognised for the quality of service provided but on top of this there are clear financial, political and operational gains to be made from bringing our buses back under public control.

According to Transport for Quality of Life's report *"Building a World Class Bus System for Britain"* c2016, *"Municipal operation would deliver greater financial gains than franchising. Instead of being used to pay dividends to shareholders, the profit from commercial routes could be used to support non-commercial routes, reducing the amount of subsidy required from the local authority. As with franchising, there would be patronage and revenue increases over time as a result of network design and simplified ticketing, and there would be efficiencies in the provision of services that are currently tendered. The total gain from municipal operation would be of the order of £506M per year in Britain, excluding London. This is substantially greater than recent cuts to bus funding, so would allow both for restoration of services that have been cut, and investment in new services."*

Unlike in mainland Europe, UK municipal bus companies operate in a deregulated environment where private bus companies are free to compete. In the EU, municipal companies have been granted exclusive rights to operate under a "direct award" so cannot and will not face the same disruptive threat. We need such legislative changes in the UK so as to allow a "direct award" of all or part of a local bus network to a municipal operator. Under franchising, there could be an option to move to municipal operation once the existing franchise expired.

*"This could be achieved economically and would lead to immediate savings, whether local authorities chose to rent a bus fleet or chose to purchase buses. In both cases they would cut out the profit margin and on purchases they would in addition be able to obtain advantageous rates of interest relative to commercial bus companies."* Transport for Quality of Life's report *"Building a World Class Bus System for Britain"* c2016





