
3c Bus Policy – An Agenda for Change?

- Purpose of Report

This report highlights a request from Strathclyde Partnership for Transport to the Regional Transport Partnership Chairs to support a call for changes to current Bus Policy.

- Background

At the Regional Transport Partnership Chairs meeting on 2 March 2011 the Chairs received a presentation by SPT regarding proposed changes to Bus Policy. SPT wanted to put a joint paper to the Political Parties to try and influence the Parties' manifestos.

The meeting agreed that further information and time was required to fully understand the proposals and that the presentation plus additional RTP background information already provided to the SPT Board would be distributed to the other RTP's.

This was subsequently distributed as requested. Consideration of the proposals showed that some of them were significant changes to current national Bus Policy and that greater detail would be required to fully understand and assess others. Consequently SPT were advised that Nestrans, in accordance with the RTP Chairs Memorandum of Understanding, were not in a position to consider agreeing to a joint RTP paper to the Political Parties. SPT subsequently submitted their proposals to the Parties as an SPT proposal.

Although unable to agree to a joint Chairs paper Nestrans officials, in consultation with the Councils Public Transport Units, agreed that there appeared to be merit in exploring SPT's proposals further and that an RTP Lead Officers meeting should be held for this purpose. This meeting was held on Monday 11 April 2011 in Edinburgh and was attended by Derick Murray and Richard McKenzie from Aberdeenshire Council's PTU.

- Discussion

SPT have proposed five changes to current national Bus Policy. These are:

1. Where the bus market is failing communities, Public Transport Authorities should be given the ability to operate services directly
2. Current legislation relating to the Statutory Quality Partnership process should be strengthened
3. Current legislation relating to the registration process should be strengthened
4. Consideration should be given to the budget for the Patient Transport Service to be transferred from the Scottish Ambulance Service to Public Transport Authorities
5. A shared services approach should be taken to fleet management, including the use of local authority vehicles and community transport.

These proposals arise from a background of issues summarised by SPT as:

- 67% of journeys to work in Scotland are by car. The main public transport mode is bus – 75% of market. If unsustainable car use is to be tackled, an effective bus policy is required which delivers results on the ground.

- Commercial bus network works well for commuters, but not for those who need it most – deprived areas, rural areas, at evenings and weekends.
- A regulated system works well in many areas across Europe, but in Scotland, full re-regulation is likely to be unaffordable at this time.
- Current legislation - Transport (Scotland) Act 2001 - has failed to live up to the aspirations of those who drafted it and many communities are being failed by the current, deregulated bus industry.
- Benefits of the passenger and investment by the 'public purse' often appear to be forgotten.
- Our (SPT's) proposals are practical, affordable, deliverable and easy to implement. The principle of the commercial market will be retained in the delivery of these proposals.

Consideration and discussion at the meeting

There was some concern expressed about the comment that the commercial bus network works well for commuters with the comment made that if this were so then achieving modal shift would be easier. There was also comment regarding the affordability and ease of implementation of the proposals.

SPT proposal

1. Where the bus market is failing communities, Public Transport Authorities (PTAs) should be given the ability to operate services directly

Why change?

The current bus market is generally effective at meeting mainstream demand (commuters), but there are gaps in wider service delivery:

- for deprived areas,
- in evenings / weekends,
- access to healthcare,
- accessing employment,
- visiting family and friends,
- new developments,
- impacting on those with a disability, the elderly,
- the unemployed and those on low incomes.

The commercial bus market is finding the current economic climate tough, and therefore understandably appears to be increasingly reluctant to meet demand outwith the mainstream, and when it does, can quote unaffordable premiums for the provision of socially-necessary services.

What needs to be done?

Subject to publicly available agreed criteria, if the market response for provision of socially-necessary services is unacceptable or unaffordable, PTAs should be free to explore other opportunities – direct operation, with partners or through community buses.

How would it deliver?

This would provide a saving to the 'public purse' through direct bus operation by PTAs and better utilisation of publicly funded vehicles. This would provide a better service for communities who the market currently fails, and would benefit good operators.

SPT proposed ACTIONS:

- *Amend Transport (Scotland) Act 2001 to allow direct operation by PTA's and partners, and through community buses.*
- *Community bus providers sign up to their PTA's formal Community Transport Forum (e.g. SPT's West of Scotland Community Transport Forum)*
- *Councils sign up to shared services agreements with PTAs*

Consideration and discussion at the meeting

Noted that this applies only where there are gaps in the market. Also noted that savings could only be made where there are existing services that are tendered.

Also discussed that this could increase pressure on Members during a period of reducing budgets.

There was some discussion on whether Community Transport or DRT could be used where these gaps exist. Some PTAs including those in the north-east already for example directly operate a number of DRT services.

It was noted that some RTP's would wish to discuss this proposal with their Boards and Councils, as their Public Transport Authorities, before coming to a view on this proposal.

SPT proposal

2. Current legislation relating to Statutory Quality Partnerships should be strengthened

Why change?

SQPs were good in theory but have proven hard to deliver in practice. The process is unwieldy and costs and benefits are unproven. The interests of operators and public sector organisations can often appear to be contradictory, and it could be argued that the return for public sector investment in bus is poor.

What needs to be done?

There is a need to strengthen current legislation (Transport (Scotland) Act 2001) to make SQPs more passenger orientated, simpler and easier to implement. The commercial benefits offered by public sector investment needs to be translated into tangible, socially responsible public benefits.

How would it deliver?

This simple measure would put passengers first and would provide a greater return on public sector investment.

SPT's proposed ACTIONS:

- *Amend Transport (Scotland) Act 2001 to allow simpler delivery of SQPs.*

Consideration and discussion at the meeting

It was agreed that there would need to be more detail on this proposal in relation to what changes would be required. SPT agreed to provide details of lessons learned from their application of an SQP in the Paisley area. Also agreed that this could be considered by the Scottish Government's Bus Action Plan Steering Group.

SPT proposal

3. Current legislation relating to the registration process should be strengthened

Why change?

The current process for operator registration of services can lead to timetables not meeting the needs of the passenger e.g. a 'new' service registered only minutes ahead of an existing one, and then no service for a considerable time. All new services are currently eligible for public funds (concessionary reimbursement, Bus Service Operators Grant etc) regardless of whether or not the service is serving the passengers best interests. The challenge is in meeting the needs of outlying communities and services in evenings and weekends. Public subsidy should be targeted – perhaps on a variable basis – where it is needed most. Furthermore, the current ability of operators to introduce and withdraw services at will means the market is often unstable.

What needs to be done?

Operators should be compelled to take account of PTAs policies and strategies (e.g. statutory Regional Transport Strategy) before registering a service. PTAs should be able to vary the levels of public funding made available to private operators depending on the extent to which the service meets the aims of the PTA. Services should be registered for a minimum of 6 months before changes are allowed and these changes should only take place at no more than 4 specific dates a year.

How would it deliver?

These measures would stimulate the bus market to respond more effectively to the needs of the travelling public. They would improve services for passengers, provide greater stability in the bus market and ensure public funds are directed where they are needed most.

SPT's proposed ACTIONS:

- *Amend registration process for new services to include 'tick box' relating to 'Approved by relevant PTA'.*
- *Amend registration process so services must be registered for minimum of 6 months, and for changes no more than 4 times a year.*
- *Relevant public funds (concessionary reimbursement, BSOG etc) to be variable dependent on 'tick box' above.*

Consideration and discussion at the meeting

Agreed that "approved" in action 1 should read "supported"

Agreed that this would require a framework/ guidelines to determine whether a service proposal would be supported and that this would be difficult to achieve. (bullet 1)

It was also agreed that the issue of being able to respond quickly if something wasn't working was important (bullet 2) Therefore the timings in the proposal were important in maintaining public confidence in timetables and ability to change when required.

SPT were keen that BSOG and Concessionary fares reimbursement were delegated to the PTA's but there was some concern expressed that this was "reversed shared services" and that it could lead to discrepancies across the country in application.

There was agreement that such a proposal could also be considered by the Scottish Government Bus Action Plan Steering Group.

SPT proposal

4. Consideration should be given for the budget for patient transport to be transferred to PTAs (such as SPT)

Why change?

Currently budgets for visiting healthcare facilities and for attending appointments are split between NHS and PTAs leading to lack of co-ordination. Furthermore, the budget for patient transport and emergency 'blue light' services is merged meaning there is scope for efficiency.

What needs to be done?

Budgets for visiting healthcare facilities should be amalgamated, patient transport budgets should be extracted from 'blue light' services, and given to PTAs who would be able to co-ordinate service provision more effectively.

What does it deliver?

This measure would improve the co-ordination of transport for healthcare and provide a better, more streamlined service for passengers. It would also enable significant efficiency savings through economies of scale.

SPT's proposed ACTIONS:

- *Budgets for patient transport and visiting healthcare facilities to be transferred to PTAs*

Consideration and discussion at the meeting

It was noted that Nestrans are adopting a different approach to this issue by engaging with the Scottish Ambulance Service through the Health and Transport Action Plan.

There was also agreement that there are a number of ongoing reviews that should be completed before considering such an action. These include:

- The Christie Commission
- Scottish Ambulance Service Review
- Audit Scotland Review of Health and Social Care Transport
- The Government's short life working group on Healthcare Transport

It is not clear that implementing such a proposal would be "easily" achieved. Patient transport although essentially movement of people like public transport is different by the nature of the customers. Integration with other transport systems is likely to be complex.

SPT proposal

A 'shared services' approach should be taken to fleet management, including the use of local authority fleet and community transport.'

Why change?

At present there are many different public sector providers of transport, all with their own fleets, budgets, staff and responsibilities. Better co-ordination and integration would lead to a better service for customers, transport links being maintained, and savings for the public purse. Local authority fleets are a significant resource and if fully utilised could meet many socially necessary

needs. Furthermore, Community Transport is an emerging, cost effective solution in further filling the gaps in service provision to provide a full integrated transport solution.

What needs to be done?

There is a need for a more integrated approach to fleet management and scheduling through the co-ordination of resources of the key public agencies – PTAs, councils, NHS, SAS and community transport. Community Transport services, formalised through arrangements with their PTA, could be eligible for concessionary reimbursement where there is a lack of a mainstream bus service. Benefits can only be realised through a 'shared services' centre where improved co-ordination through better scheduling means less vehicles can do more work.

How would it deliver?

This measure would provide a more effective service for customer and communities. It has great potential for creating savings for public purse through improved co-ordination and management. People not able to currently access national concessionary scheme could do so through Community Transport. For example, current SPT co-ordination of Glasgow City Council Social Work voluntary club transport has resulted in 40% savings.

SPT's proposed ACTIONS:

- *Shared services agenda – organisations to sign up with PTA to provide a central contact centre for scheduling, communications, work allocation, fleet management and social transport services.*

Consideration and discussion at the meeting

There was some discussion on this issue being similar to that above in that the reviews need to be completed.

It was also noted that the action should read "investigate" rather than "sign up"

- **Conclusion**

It was agreed that the paper should be revised and that further information should be provided. A further meeting would be held to discuss these revisions and updates.

- **Recommendation**

That the Board note the discussions that have taken place and receive an update paper at a future Board for consideration.