

READING BOROUGH COUNCIL

REPORT BY EXECUTIVE DIRECTOR OF ECONOMIC GROWTH AND NEIGHBOURHOOD SERVICES

TO:	STRATEGIC ENVIRONMENT, PLANNING AND TRANSPORT COMMITTEE		
DATE:	7 JULY 2022	AGENDA ITEM:	11
TITLE:	BUS SERVICE IMPROVEMENT PLAN - FUNDING UPDATE		
LEAD COUNCILLOR:	COUNCILLOR PAGE	PORTFOLIO:	CLIMATE CHANGE AND TRANSPORT
SERVICE:	PLANNING, TRANSPORT AND PUBLIC PROTECTION	WARDS:	BOROUGHWIDE
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1. PURPOSE OF REPORT

- 1.1 The purpose of this report is to provide an update on progress with development of the schemes and initiatives included within the Bus Service Improvement Plan (BSIP), following the announcement by the Department for Transport (DfT) on 4th April of indicative funding allocations for selected authorities, including up to £26.3m for Reading for the three-year period from 2022/23 to 2024/25.

2. RECOMMENDATIONS

- 2.1 To note the indicative funding allocation from Government of £26.3m for delivery of the Bus Service Improvement Plan, consisting of £15.9m capital and £10.3m revenue grant funding.
- 2.2 To note the on-going discussions with Government and local bus operators to further develop the BSIP proposals in advance of an announcement on final funding allocations by the Department for Transport.

3. BACKGROUND

- 3.1 The National Bus Strategy 'Bus Back Better' was published on 15th March 2021 as part of a £3 billion funding package aimed at building back Britain's bus services. The Strategy sets out how the Government intends to deliver on its commitment to achieve ambitious and far-reaching reform of the bus services sector, including: how bus services are planned and delivered through the

introduction of new zero emission buses; simpler fares; improved routes; and higher frequencies.

3.2 Key elements and objectives in the Strategy include:

- More frequent ‘turn up and go’ services on key corridors being such that reference to a timetable is not needed.
- Cheaper fares, daily capped fares and local ‘all operator’ fares that lower the cost of bus use and increase interchange options with other public transport services.
- Support for economically as well as socially necessary services, e.g. connecting areas of inequality to employment, education and training.
- Hundreds of miles of more bus lanes which need to be operational 24 hours a day to improve bus journey times and reliability.
- Extensions to bus rapid transit schemes to deliver light rail style service improvements at a fraction of the cost.
- Bus gates to exclude other traffic if insufficient space is available, and a presumption against on street non-residential parking on bus corridors.
- 4,000 new zero emission (battery electric or hydrogen powered) buses to improve air quality and reduce carbon emissions, with changes to the Bus Service Operators Grant (BSOG) scheme to reward mileage operated by zero emission vehicles.

3.3 A core focus of the Strategy is the need for greater cooperation between bus operators and Local Transport Authorities (LTAs). In order to achieve this improved partnership working, the Strategy requires LTAs to produce a Bus Service Improvement Plan (BSIP) for their area, and to either establish Enhanced Partnerships with local bus operators or to implement a franchise system to manage the provision of local bus services.

3.4 In line with the requirements as set out in Strategy, the Council published an adopted BSIP for the local area in October 2021, setting out an ambitious programme of measures to improve bus services in Reading. The plan was prepared in partnership with all local operators and neighbouring local authorities, which included a range of schemes and initiatives in line with the guidance and objectives of the National Bus Strategy. Subsequently Enhanced Partnership (EP) arrangements were developed with bus operators in line with the relevant legislation and this was submitted to the DfT in April 2022.

3.5 It should be noted that the National Bus Strategy and BSIP proposals are set in the context of reduced patronage levels as a result of the Covid pandemic. Patronage in Reading is currently at around 74% on average of pre-pandemic levels, however there are significant variations across the network on different routes. There is still a degree of uncertainty regarding the longer-term impact of changing travel behaviours resulting from the pandemic, for instance greater working from home, and the impact this will have on demand for bus travel in the local area.

4. THE PROPOSAL

- 4.1 Government undertook a review of all BSIPs and EPs submitted by LTAs and subsequent discussion were held with selected authorities. Following this process, the DfT announced indicative funding allocations for selected authorities on 4th April, including up to £26.3m for Reading for the three-year period from 2022/23 to 2024/25. The DfT outlined a timetable for LTAs to submit further information and updated Enhanced Partnership (EP) Schemes to them over the summer, in order that funding allocations can be confirmed by Government. The funding provisionally allocated to Reading is £15,939,000 capital and £10,324,600 revenue grant funding.
- 4.2 The DfT's priorities for capital BSIP funding are bus priority measures, specifically bus lanes, and other passenger improvements such as bus stops and information systems. The capital schemes which are currently being further explored for Reading include:
- Oxford Road from Eaton Place to George Street; outbound bus lane benefitting routes 15/15a,16,17 and 143.
 - Oxford Road from Pangbourne Street to Norcot; provision of outbound bus lane instead of the current inbound bus lane to benefit routes 16,17,143.
 - Bath Road from Circuit Lane to Tesco garage/Granville Road; outbound bus lane benefitting routes 1,2/2a.
 - Southampton Street from Pell Street to the Oracle roundabout; inbound bus lane benefitting routes 5,6/6a,11.
 - London Road from Borough boundary to Cemetery Junction (Amity Road); inbound bus lane benefitting routes 13,14,127,400/500,850, TVP shuttle and RailAir coach.
 - London Road from before Sidmouth Street to London Street; inbound bus lane and relocated existing outbound bus lane benefitting routes; 3,8,9,19's,21,21a.
 - Future phases of the South MRT scheme and enhancements to the MereOak P&R site, building on phases 1-4 which have currently been delivered.
- 4.3 The core objectives of these schemes are to reduce overall network congestion, reduce journey times and support increased patronage on key parts of the local bus network. Other capital enhancements being explored include traffic signal upgrade measures to assist buses, bus stop enhancements including green roofed shelters, town centre public transport infrastructure and a review of the locations of real time displays and upgrade to be DDA compliant equipment.
- 4.4 The DfT priorities for revenue funding include fares initiatives to make 'ambitious and eye catching initiatives that reduce fares' and therefore increase passengers, and increased service frequencies and new/expanded routes that serve identified priorities such as employment sites.
- 4.5 The level of indicative revenue funding allocated to Reading provides a significant opportunity to incentivise people to choose to travel by bus,

alongside helping residents with the current rising costs of living. The objective is to deliver significant savings in travel costs for bus passengers, encourage increased bus travel and therefore support the local bus network.

4.6 Discussions are on-going with the main bus operators in Reading regarding a proposed fares reduction scheme which would offer 'Greater Reading Day tickets' at the prices to be agreed with the operators. In return, bus companies would receive compensation to the value of their commercial products. An important aspect of this initiative is to ensure compliance with Competition Law and therefore officers have been in correspondence with the Competition and Markets Authority (CMA) and external legal advice has been sought to ensure the scheme accords with all relevant legislation.

4.7 In addition to the fares initiative, further revenue schemes that are currently being explored include:

- Extending Route 42 beyond Rivermead to Tilehurst.
- A new P&R service from Mere oak to UoR and RBH.
- Service enhancements to South Reading service 9.
- Better bus information (web site enhancements).
- Bus passenger safety enhancements.
- BSIP and Bus Passenger Charter development.

4.8 Officers are continuing to work with all local operators and the DfT to develop the BSIP scheme proposals set out in this report, and to update the EP in line with Government requirements. The EP includes details of on-going governance and partnership working arrangements with all stakeholders, including the establishment of an EP Board and EP Forum which are currently being developed. In addition, officers are continuing to work with the other Berkshire authorities to establish a Berkshire wide forum to discuss cross-boundary services.

5. CONTRIBUTION TO STRATEGIC AIMS

5.1 The proposals as set out within this report will help to deliver the following service priorities in the Council's Corporate Plan:

- Healthy Environment
- Thriving Communities
- Inclusive Economy

6. ENVIRONMENTAL AND CLIMATE IMPLICATIONS

6.1 Transport is the biggest greenhouse gas emitting sector in the UK accounting for around 27% of total carbon emissions. As set out in the Reading Climate Emergency Strategy, this figure is lower in Reading with transport accounting for around 20% of carbon emissions. However, significant investment in sustainable transport solutions is vital in order to respond to the Climate Emergency declared by the Council in February 2019 and to help achieve our target of a carbon neutral Reading by 2030. Reading Climate Change

Partnership's Reading Climate Emergency Strategy 2020-25 and the new RBC corporate Carbon Plan 2020-25 were both adopted in November 2020.

- 6.2 Our transport strategy is focused on encouraging the use of sustainable transport, walking and cycling as attractive alternatives to the private car. This includes managing congestion and improving air quality by providing a more efficient network and suitable alternatives for vehicular traffic, which will enable existing highway capacity to be reallocated for the use of sustainable modes. The delivery of the BSIP and Enhanced Partnership arrangements as set out within this report form part of this overall strategy, which has achieved considerable success in recent years including bus usage in Reading being the third highest in the country outside of London, having increased by 23% since 2010, and around 35% of trips into Reading town centre being made by pedestrians and cyclists.
- 6.3 A climate impact assessment has been conducted which suggested a 'net medium positive' impact arising from the decision. The BSIP/EP is intended to recover bus use to pre-COVID levels where it was the second highest per head of population outside of London. In addition, the BSIP/EP is intended to make buses more relevant to people's travel needs through more frequency, faster services, more bus routes, better integration with other modes of transport and easier to access. The success of this BSIP/EP would help reduce car use, car congestion, harmful emissions and climate change. The BSIP/EP is required by the DfT as a high-level statement of intent and as a bidding document for future bus service funding which will be a mixture of capital and revenue to enable better bus services as set out in the National Bus Strategy to be delivered. As part of the BSIP/EP RBC is asking for money to replace low emission diesel buses with zero emission electric buses and to improve and replace RBC owned legacy bus shelters with a number of green roofed shelters.

7. COMMUNITY ENGAGEMENT AND INFORMATION

- 7.1 As set out within the report, the Bus Service Improvement Plan and Enhanced Partnership arrangements have been developed in collaboration with all local bus operators and key stakeholders in Reading.

8. EQUALITIES IMPACT ASSESSMENT

- 8.1 An Equalities Impact Assessment was undertaken at the appropriate time to ensure the proposals set out within the Bus Service Improvement Plan and Enhanced Partnership arrangements provide improved access, services and facilities for local residents.

9. LEGAL IMPLICATIONS

- 9.1 The Council has established the Enhanced Partnership with all local bus operators serving Reading Borough, which is a statutory arrangement termed 'enhanced partnership arrangements' under the 2017 Bus Services Act.

9.2 Following consultation with Legal Services, Freeths LLP a specialist advisor was appointed to assist with the development of the EP Plan and EP Scheme documents and advise on the necessary procedures to be followed in accordance with the relevant legislation.

9.3 Work is being undertaken to ensure all BSIP proposals comply with Competition Law with the Competition and Markets Authority (CMA) and external legal advice from Freeths LLP.

10. FINANCIAL IMPLICATIONS

10.1 The Department for Transport has provided the Council with £100k grant funding to assist with the development of the Bus Service Improvement Plan and establishing Enhanced Partnerships with local operators.

10.2 At this stage Government has issued indicative grant allocations, therefore the schemes and initiatives as set out within this report will only be taken forward if funding allocations are confirmed by Government.

11. BACKGROUND PAPERS

11.1 None