

To: COUNCIL
On: 24 JUNE 2021

Report by: DIRECTOR OF ENVIRONMENT & INFRASTRUCTURE

Heading: Regulation of Bus Services

1. Summary

- 1.1 At the Council meeting of 13th May the Council agreed a motion on bus regulation to bring back to the next Council meeting a report on *“the current Transport Bill includes the option for local authorities to regulate bus services, which is the existing policy of Renfrewshire Council, and calls on the Administration to provide a comprehensive report to the next full council on the progression of this policy, including any comment made by McGill’s.”*
- 1.2 The issue of bus regulation/ deregulation is currently subject to a Lead Officer review reporting to the Audit, Risk and Scrutiny Board. On the 28 May 2019 this board agreed the purpose and scope of a Lead Officer review on bus deregulation and the effect on transport services within Renfrewshire. This review commenced and was making good progress with engagement of a number of key stakeholders including SPT, McGills, Trade Unions and Council Officers. The report has been paused as a result of the COVID-19 pandemic and will look to conclude in late 2021 early 2022.
- 1.3 The new Transport (Scotland) Act 2019 sets out a number of key areas in relation to the operation of buses in Scotland, both from a regulatory perspective and also from a passenger experience perspective. The implementation of the specific provisions of the Act, not just in relation to public transport, have been delayed significantly due to the impact of the COVID-19 pandemic. It is anticipated that the provisions of the Act will be published nearer the end of 2021. This report sets out an overview of the bus provisions of the Transport Act available at this time. When the specific provisions of the Act are published, along with associated Regulations and Guidance, the Council along with Strathclyde Passenger for Transport (SPT) as the Regional Transportation Authority will be able to consider the opportunities, risks and implications to report to Council.

1.4 The main aspects of the Act relating to public transport, and specifically buses are covered in detail at section 3 of this report, including;

- Provision of bus services by local transport authorities,
- Creation of bus service improvement partnerships,
- Local services franchising,
- Bus service information, and
- Ticketing arrangements and schemes.

1.5 In the development of the Transport Act consultation and engagement has been undertaken by Scottish Government and Transport Scotland with relevant bodies, including Local Authorities, bus operators and the Confederation of Passenger Transport Scotland. It is through the bus operator's engagement that McGills have had the opportunity to respond and input to consultations and engagement on the creation of the Transport Act.

2. **Recommendations**

It is recommended that Council:

2.1 Notes the contents of this report.

2.2 Notes that there are delays to the implementation of the provisions of the Transport (Scotland) Act 2019, and that subsequent reports will be brought to the Infrastructure, Land & Environment Policy Board to update on progress with implementation over the course of 2021/ 2022.

3. **Transport (Scotland) Act 2019 – Public Transport**

3.1 The Transport (Scotland) Act 2019 contains a number of key provisions aimed at improving public transport in Scotland, both from a passenger perspective, but also in terms of creating a regulatory framework for bus operators, which was largely removed as part of the deregulation of the market from the Transport Act 1985.

3.2 Council Officers were involved in the process through from the earliest consultations on the Act through to the Act being finalised and although it is recognised that the Act

alone will not resolve all issues within the public transport area, it will go some way to improving the experiences for passengers using these key services.

3.3 The main provisions outlined in relation to public transport are outlined at 3.3.1 to 3.3.5 below.

3.3.1 Provision of Bus Services by Local Transport Authorities

The arrangements within this provision is to allow a Council or SPT to provide local bus services directly or indirectly (through a private operator). This aspect could be utilised in the circumstance where there is a gap in the market due to a service being removed or in a circumstance where an operator of a route was to cease trading.

There are numerous legal, financial, and operational issues which would need to be determined prior to further consideration being given to this.

3.3.2 Creation of Bus Service Improvement Partnerships (BSIP's)

BSIPs are designed to be collaborative partnerships which will have analysed the existing service provision in the area and the policies to be implemented, in order to make substantive improvements and achieve those policies.

The local transport authority will work with local operators to develop proposals as part of a BSIP and would then work to create a Plan to implement the priorities identified by the partnership

The plan should cover the following:

- Specify the geography covered and time period to which it relates
- Provide an analysis of local services
- Set out objectives on quality and effectiveness of local services
- Set out how the scheme will meet these objectives
- Describe the intended effect of any partnership scheme on adjacent areas
- Specify how the views of users are to be obtained on the plan and scheme
- Specify how to review the partnership plan.

At the same time as making a BSIP Plan, the Regional Transport Authority (SPT) must make one or more schemes relevant to the area covered by the Plan. The idea being that the scheme will deliver in practice, the aims and aspirations identified by the Plan created by the BSIP. A scheme or number of schemes:

- Will specify the area covered by the scheme and period of time

- Will impose one or more service standards for services having one or more stopping places in the area
- Will specify how the scheme will be reviewed and when
- Will prepare and publish a report on the effectiveness of the scheme annually for each year the scheme is in effect.
- May provide for exemption of services and conditions in which such exemptions are to apply
- May specify actions to facilitate the operation of the scheme
- The following list gives an indication of what service standards may include, but is by no means exhaustive:
 - Route service standards: requirements on the frequency or timing of a local service, by reference only to that service or by reference to that service and other local services, taken together
 - Operational service standards: any other matter relating to standard of service, including (but not limited to):
 - o Vehicle quality specifications
 - o Minimum and maximum frequency of services
 - o Maximum frequency of services
 - o Maximum fares
 - o Ticketing requirements
 - o Multi-operator travel card pricing

Once a BSIP is in operation, a Traffic Commissioner must refuse an application for registration from a bus operator if it is unlikely to be able to comply with the service standards in that BSIP. Additionally, the Traffic Commissioner may cancel a registration where that service is not being provided in accordance with the service standard in an existing BSIP. Accordingly, if a bus operator wishes to continue running services in an area covered by a BSIP, they run the risk of losing this ability if they do not meet the service standards in the BSIP.

3.3.3 Local Services Franchising

The franchising aspect is one which creates the facility for a franchise of local bus services or particular routes, which still allows for competition within the marketplace. Examples of potential areas of franchising could be where there is a new housing

development with no existing bus provision and a competitive tender process could be run to deliver a new bus route to service this area. As yet there is little guidance on how this aspect of the Transport Act would work in practice, what the likely cost implications would be in both the short and longer term and is something that will require close consideration when accompanying regulations and guidance are issued by Transport Scotland.

3.3.4 Bus Service Information

The aim of this aspect of the Act is to place obligations on bus operators and other bodies to provide comprehensive information to passengers on the services they provide. There is also a mechanism within the Act where transport authorities can request specific information from a bus operator when the bus operator notifies the authority of a proposed change to service. This information could include but not limited to; the number of passengers using that service and the fares paid by them and also the revenue generated by a particular route.

This is generally viewed as a positive, particularly for bus passengers when it comes to accessing information about the services they use, however further detail will emerge when the relevant regulations and guidance are published by Transport Scotland.

3.3.5 Ticketing Arrangements and Schemes

The provisions of the Act allow for the creation of a National Smart Ticketing Advisory Board. The role of the board will be to be responsible for the strategic development of smart ticketing in Scotland and to give advice and make recommendations in relation to smart ticketing arrangements and a national technological standard for smart ticketing.

This is viewed as a positive development and hopefully will go some way to avoiding passenger confusion over ticketing arrangements and hopefully lead to consistency of arrangements between operators.

4. Summary & Next Steps

- 4.1 As outlined throughout the report there are a number of uncertainties in the public transport arena with the new Transport (Scotland) Act 2019, the impact of the COVID-19 pandemic and investment funds such as the Bus Partnership fund.
- 4.2 The focus for Transport Scotland, Regional Transport Authorities (SPT) and Local Authorities has been to support the industry in recovering from the impacts of the pandemic and to look forward at the opportunities that exist to improve services for passengers in Renfrewshire and beyond.
- 4.3 At this stage, prior to publication of the regulations and guidance to accompany the Transport (Scotland) Act 2019, it is too early to assess the likely implications for public transport services in Renfrewshire as a result of the new provisions of the Transport (Scotland) Act 2019.

- 4.4 Future progress reports on the implementation of the provisions of the Act will be brought to the Infrastructure, Land & Environment Policy Board to ensure members are kept updated with this key piece of legislation and the accompanying regulations and guidance.

Implications of the Report

1. **Financial** – At this stage it is too early to assess the likely financial implications for the Council resulting from the provisions within the Transport (Scotland) Act 2019.
2. **HR & Organisational Development** - None
3. **Community Planning –
Reshaping our place, our economy and our future
Tackling inequality, ensuring opportunities for all
Creating a sustainable Renfrewshire for all to enjoy
Working together to improve outcomes**
The provision of effective and efficient public transport services will make a significant contribution to these key community planning themes. Access to bus services will help employment levels and provide opportunities where otherwise they may not exist. Working in partnership with SPT and bus operators will ensure the delivery of new green infrastructure providing a sustainable Renfrewshire.
4. **Legal** – None at this stage, however there may be significant implications when further regulations and guidance is issued by Transport Scotland.
5. **Property/Assets** – None
6. **Information Technology** – None
7. **Equality & Human Rights** -
The recommendations contained within this report have been assessed in relation to their impact on equalities and human rights. No negative impacts on equality groups or potential for infringement of individuals' human rights have been identified arising from the recommendations contained in the report as the proposals recognise individual arrangements that would have to be accommodated due to particular circumstances. If required following implementation, the actual impact of the recommendations and the mitigating actions will be reviewed and monitored, and the results of the assessment will be published on the Council's website.
8. **Health & Safety** – None

9. **Procurement** – None
10. **Risk** - None.
11. **Privacy Impact** - None
12. **Cosla Policy Position** – Cosla is keen to support the joint working arrangements between local authorities, transport authorities and public transport operators to deliver important outcomes for communities.
13. **Climate** – The Transport Act sets out to support actions that contribute to meeting national climate change ambitions and targets.

List of Background Papers – Reference Audit Risk and Scrutiny reports on Bus deregulation

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