



## Decision Report - Cabinet Decision

Forward Plan Reference: FP/21/05/11.

Decision Date - 21/06/21

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### Notice of Intent to prepare an Enhanced Partnership and Plan

Cabinet Member(s): Cllr John Woodman – Cabinet Member for Highways & Transport  
Local Member(s) and Division: All

Lead Officer: Paula Hewitt, Deputy Chief Executive, Lead Director for Economic and Community Infrastructure & Director of Commissioning

Author: Mike O'Dowd-Jones, Strategic Manager, Commissioning – Highways and Transport and Natasha Bates, Service Manager, Commissioning - Passenger Transport

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#### 1. Summary / Background

- 1.1.** The government recently announced the new National Bus Strategy – 'Bus Back Better' with the overall aim of transforming local bus services and increasing bus patronage. Under this new strategy the expectation is that Local Transport Authority's (LTA's) will enter Enhanced Partnership (EP) Agreements with local bus operators across the LTA to develop and deliver improvements across local bus services and enhance the experience for passengers. Alternatively, where deemed appropriate LTAs can seek to pursue the 'Franchising' route but would be required to commit to an Enhanced Partnership in the meantime.
- 1.2.** LTAs are required to commit to an EP by the end of June 2021 and then publish a Bus Service Improvement Plan (BSIP) by the end of October 2021. EPs should be in place by the end of March 2022, and the BSIP should then be reviewed and updated annually.
- 1.3.** Current funding streams such as the Covid Bus Services Support Grant (CBSSG) and the reformed Bus Service Operators Grant (BSOG) will be linked to the EP and those LTAs and operators who do not commit to an EP by the end of June 2021 will not receive this funding in future.
- 1.4.** The government has announced £3 billion of transformation funding for bus services across the UK and local BSIPs will be instrumental in influencing the distribution of this funding.
- 1.5.** Further guidance on BSIPs has recently been published, which includes clarification on the requirements for committing to an EP by the end of June 2021 and included a template for the statutory Notice of Intent, which needs to be published by this date.

## **2. Recommendations**

### **2.1. That Cabinet:**

- **Agrees that SCC commit to preparing an Enhanced Partnership Plan and Scheme;**
- **Delegates authority to the Strategic Commissioning Manager - Highways and Transport, in consultation with the County Solicitor, to draft and publish a Statutory Notice of Intent confirming this commitment.**

## **3. Reasons for recommendations**

- 3.1** The recommendation is in response to the requirements of the National Bus Strategy: Bus Back Better, which requires all LTAs to publish a statutory Notice of Intent to prepare an EP plan or scheme. Allocation of the £3 billion of government transformation funding is directly linked to the EP and those Local Authorities not committed to pursuing an EP will not receive additional funding.
- 3.2** The continuation of the Covid Bus Services Support Grant (CBSSG) and the reformed Bus Service Operators Grant (BSOG) will also be linked to the EP.
- 3.3** The development of an enhanced partnership with bus operators linked to a BSIP which leverages new Government investment in public transport, presents an exciting opportunity to encourage more people to use public transport in line with our Climate Emergency Strategy.

## **4. Other options considered**

- 4.1.** The option not to pursue an EP was considered too high risk as this would result in future funding streams (CBSSG and BSOG) ceasing and would prevent SCC from being able to access any potential share of the £3bn transformation funding for bus services.
- 4.2.** The opportunity also exists for the Council to pursue a franchising model which enables the Authority to specify all aspects of bus services running in the area, including routes, timetables, fares, ticketing and vehicle specifications. In a franchised operation, on-street competition between operators for passengers is not permitted and no operator is allowed to run their own commercial service within the franchised area. Under this model the Authority would take on the full cost of scheme preparation and most of the revenue risk for operations. It is anticipated that in Somerset most of the desired improvements to services can be achieved through the EP without the need to seek franchising powers. At this stage therefore it is not recommended that franchising powers are pursued, and this option will be kept under review as the BSIP is developed and reviewed annually.

## 5. Links to County Vision, Business Plan and Medium-Term Financial Strategy

5.1. The commitment to establish an EP and produce a BSIP, link to the County Council vision as follows:

- **A thriving and productive County that is ambitious, confident and focussed on improving people's lives.** BSIPs are required to be ambitious and show commitment to delivering change to improve opportunities and access.
- **A County of resilient, well-connected and compassionate communities working to reduce inequalities.** The aim of the EP and BSIP is to improve bus services making them more frequent, accessible and easier to understand for all.
- **A County where all partners actively work together for the benefit of our residents, communities and businesses and the environment in which we all live.** The EP and BSIP require LTAs and operators to work in partnership together to deliver an improved bus network across the County, whilst also engaging with community groups, local businesses and the wider public.
- **A County that provides you with right information, advice and guidance to help you help yourself and targets support to those who need it most.** The BSIP and EP are focussed on improving access to information on public transport, promotion and integrated solutions.

## 6. Consultations and co-production

- 6.1. Engagement with local public bus operators has being undertaken and informal commitments in principal are being sought. A formal letter will be sent to operators prior to the publication of our Notice of Intent, which will outline our proposed process to develop the EP.
- 6.2. We will put in place a collaborative process to develop the BSIP and EP, and there will be opportunities for engagement and consultation with a range of interested parties and stakeholders as the proposals progress. Initial plans need to be agreed at-pace, and the engagement process will need to reflect the time constraints, however the BSIP will be reviewed annually so there will be ongoing opportunities to evolve the plans.
- 6.3. The DfT guidance notes that a forum such as a bus advisory board should be put in place to support ongoing BSIP discussions.
- 6.4. WSP have been commissioned as consultants to support the process.

## 7. Financial and Risk Implications

- 7.1.** The Department for Transport (DfT) made available for LTAs, capacity funding to assist with the creation of EPs and producing BSIPs between now and the end of March 2022. SCC have been issued with £100k for this purpose. Further development funding will be provided to authorities based on need later in the year.
- 7.2.** The financial risk is related to not pursuing/agreeing an EP. In the event of this happening all current funding for passenger transport will be withdrawn and we would not be able to bid for a share of the £3 billion transformation fund for public bus services.

Likelihood	1	Impact	5	Risk Score	5
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- 7.3.** The BSIP, which will follow at a later date, will have financial implications but these will be considered as the plans evolve and are approved. Levels of funding are not guaranteed and whilst the BSIP needs to be aspirational, it will also need to be very explicit that any improvement actions can only happen if government funding is subsequently forthcoming.

## 8. Legal and HR Implications

- 8.1.** The Council has a duty to invite all operators of qualifying bus services to take part in the development of the plan and scheme.

Legal Services have been consulted to create an SCC version of the statutory Notice of Intent utilising the template provided in the BSIP guidance.

EP Plans and Schemes will be legally binding for both LTAs and operators. We are awaiting further guidance from the DfT on establishing EPs and will consult with Legal Services again once this is published.

- 8.2.** There are no HR Implications associated with publishing the statutory Notice of Intent

## 9. Other Implications

### 9.1. Equalities Implications

There are no Equalities Implications associated with publishing the statutory Notice of Intent. Once work is underway on the BSIP and EP, consideration of Equalities Implications will be undertaken at the necessary stages.

### 9.2. Community Safety Implications

There are no Community and Safety implications associated with publishing the statutory Notice of Intent. Future initiatives as part of the BSIP and EP should improve opportunities for travel and reduce social isolation.

### **9.3. Sustainability Implications**

There are no Sustainability implications associated with publishing the statutory Notice of Intent. Future initiatives as part of the BSIP and EP should improve opportunities for travel, will promote the use of the public bus and aim to create a modal shift away from the use of the private car.

### **9.4. Health and Safety Implications**

There are no Health and Safety implications associated with publishing the Statutory Notice of Intent.

### **9.5. Health and Wellbeing Implications**

There are no Health and Wellbeing implications associated with publishing the Statutory Notice of Intent. However future work on the BSIP and EP will aim to improve the public bus network and increase opportunities for people to travel to access facilities. This should have a positive impact on health and wellbeing by reducing social isolation.

### **9.6. Social Value**

There are no Social Value implications associated with publishing the Statutory Notice of Intent. However, the wider aim of the strategy is to increase bus patronage and create a modal shift to reduce the reliance on the private car.

## **10. Scrutiny comments / recommendations:**

**10.1.** The proposed decision has not been considered by a Scrutiny Committee.

## **11. Background**

**11.1.** The government announced the new National Bus Strategy – ‘Bus Back Better’. The overarching aim of the strategy is to increase bus patronage. Initially to increase patronage during the Covid recovery period and then longer term to increase patronage level beyond pre-covid levels.

**11.2.** Under this new strategy LTAs are required to commit to an EP by the end of June 2021, publish a BSIP by the end of October 2021 and enter into an EP by the end of March 2022.

**11.3.** Current funding for passenger transport and any future allocation of funding for public transport will be linked to the EP and those LTAs and operators who do not commit to this will not receive future funding.

- 11.4.** The National Bus Strategy sets a high level of ambition for improving bus services, which includes:
- More frequent buses
  - Faster and more reliable buses
  - Easier to understand
  - Easier to use
  - Better co-ordinated/more comprehensive
  - Cheaper
  - Better integrated
  - Accessible
  - A Safe mode of transport
- 11.5.** Guidance on creating a BSIP has very recently been published and further guidance is due during the summer in relation to EPs and future funding allocation.
- 11.6.** As this is a complex area of activity which will involve statutory and legal processes, an initial technical note has been prepared and attached as Appendix A which gives an overview of the process and explains the differences between Enhanced Partnerships and Franchising.

## **12. Background Papers**

- 12.1.** National Bus Strategy: Bus Back Better [Bus Back Better \(publishing.service.gov.uk\)](https://publishing.service.gov.uk)

National Bus Strategy: Bus Service Improvement Plans – Guidance to local authorities and bus operators [Bus service improvement plans: guidance to local authorities and bus operators \(publishing.service.gov.uk\)](https://publishing.service.gov.uk)

### **Report Sign-Off**

		Signed-off
Legal Implications	Honor Clarke	01/06/21
Governance	Scott Wooldridge	07/06/21
Corporate Finance	Jason Vaughan	07/06/21
Human Resources	Chris Squire	28/05/21
Property	Paula Hewitt / Oliver Woodhams	27/05/21
Procurement / ICT	Simon Clifford	27/05/21
Senior Manager	Paula Hewitt	27/05/21
Commissioning Development	Sunita Mills / Ryszard Rusinek	27/05/21
Renewal Board	Programme Management Office – <a href="mailto:programmemanagement@somerset.gov.uk">programmemanagement@somerset.gov.uk</a>	N/A

Local Member	All	Click or tap to enter a date.
Cabinet Member	Cllr John Woodman - Cabinet Member for Highways and Transport	07/06/21
Opposition Spokesperson (Key decisions consult / non key decisions inform)	Cllr Mike Rigby	Click or tap to enter a date.
Scrutiny Chair (Key decisions consult / non key decisions inform)	Cllr Anna Groskop - Place Scrutiny	09/06/21