

# A FIRST REVIEW OF THE NATIONAL BUS STRATEGY (MARCH 2021) AGAINST THE POLICY ASKS FROM THE RSN'S REVITALISING RURAL: REALISING THE VISION CALLS ON GOVERNMENT

## General

See below a link to *Bus Back Better: National Bus Strategy for England* that has just been published.

<https://www.gov.uk/government/publications/bus-back-better>

This, of course, is a National Strategy.

Department of Transport (DfT) are also consulting on [ending the sale of new diesel buses](#).

DfT Officials have specifically pointed out a few highlights, below, for how the strategy seeks to improve services for all current and potential bus users.

- Passengers should see simpler fares, higher frequencies, improved routes and more green buses.
- Buses should become the choice for people with options, so fewer car journeys are needed
- How local plans, funded by Government, will drive improvements for passengers by setting:
  - targets for passenger growth and customer satisfaction
  - plans for improved fares and tickets, and integration with rail and trams
  - plans for improving bus stops and shelters, ensuring safe and inclusive access
- How we will make buses more accessible - not just the vehicles themselves, but also bus stops, bus stations, and by providing excellent customer service.
- A Bus Passenger Charter will set what passengers can expect from services across a local area.

- Local authorities should take greater responsibility for local bus services, using powers available to them to enter Enhanced Partnerships or a franchising arrangement.
- Local bus service improvement plans should set out how bus priority, fares and ticketing will be enhanced, drawing on £3billion of additional funding. Further guidance will be published shortly.
- We will support local authorities with this transformation, making available £25m in capacity and capability support for buses, with £100,000 available immediately for every local authority.

## Media Comment

An extract from an article in the Local Government Chronicle states  
“Money awarded through the government’s £3bn bus strategy will be dependent on local government implementing franchises and formal partnerships which will impose limits on private operators.

The government claimed that the strategy, launched today, - [Bus Back Better](#) - will lead to services that are “more frequent, cheaper, greener, and easier to use”. Senior figures in local government have broadly welcomed the move, although the trade union Unite says it is a “missed opportunity” that will not remediate the impact of long-term local government cuts on bus services.

To receive the additional funding, bus operators and councils will be expected to enter into either a franchise agreement - in which the deregulated bus market is suspended and operators can only provide services under contract to the local transport authority - or a statutory ‘enhanced partnership’. In the latter, councils will “work closely with bus companies, drawing on their operating knowledge and marketing skills”. Bus operators have benefited from financial support during the pandemic to help them cope with reduced demand, but any further support will be conditional on aligning with the new strategy.

Later this year, the government will consult on the bus service operators grant (BSOG), currently the main way the government funds bus services. It says that today it has launched a consultation on when to “end sales of new diesel buses”.

The National Bus Strategy is being funded through the £5bn of investment in buses and cycling that the government has already announced (last year) for this parliament. Its “10-point plan for a green industrial revolution”, published in November, promised 4,000 more zero emission buses and to fund at least two all-electric bus towns. Other planned changes will include simpler fares with daily price caps, more services at evenings and weekends, and integrating ticketing with other transport such as trains. The government is also promising “hundreds of miles of new bus lanes” and that contactless payments will be accepted on “all buses”.

The prime minister said better buses would be “one of our first acts of levelling-up” in the country’s recovery from the pandemic. The planned reforms would make buses “the transport of choice”, he claimed, “just as they did in London”. Boris Johnson described buses as “lifelines and liberators, connecting people to jobs they couldn’t otherwise take, driving pensioners and young people to see their friends, sustaining town centres and protecting the environment”.

## **Overarching Statement from The RSN's Revitalising Rural Policy solutions**

The paucity of rural transport options is an issue which strikes at the heart of rural disadvantage, impacting people's access to employment, education and training, health, shops, and a host of other activities. It is a key driver of rural isolation and loneliness. It leaves rural communities highly car dependent, with consequences for the environment and national efforts to reach net zero (for carbon). This situation reflects a long-term lack of strategic policy thinking about what transport provision is needed and appropriate in rural areas.

## **RSN's Policy Asks from Revitalising Rural Campaign and Related Comments on the National Bus Strategy**

**NB**

- (1) IN THE SECOND COLUMN IN THE TABLE BELOW WE INCLUDE REFERENCES TO THE CONTENT OF THE WHITE PAPER WHICH ARE WIDER THAN THE SPECIFIC RSN POLICY ASKS IN THE FIRST COLUMN**
  
- (2) THIS IS THE RSN'S VERY FIRST "HEADLINE REVIEW" OF THE STRATEGY. A MORE IN-DEPTH REVIEW' THROUGH A RURAL LENS' WILL FOLLOW.**
  
- (3) MUCH OF THE DETAIL WILL EVOLVE OVER TIME**

REVITALISING RURAL POLICY ASK	RSN INITIAL COMMENT ON ISSUES REFERRED TO IN THE NATIONAL BUS STRATEGY
<p><b><u>Covid-19 support:</u></b> in the short-term Government must retain its emergency financial support for public transport networks, so that rural bus and rail routes survive whilst pandemic restrictions are in place and whilst passenger confidence remains low. A significant public information campaign is required as soon as social distancing restrictions can be further relaxed to re-assure people about safety and encourage them back onto public transport.</p> <p><b><u>Bus route provision:</u></b> Government must ensure that its planned National Bus Strategy has objectives for rural provision, with ambitions to better serve rural communities and their economic</p>	<p>Existing bus support through Corona Virus 19 Bus Services Support Grant (BSSG) will <b>continue to June</b></p> <p><b>Thereafter will depend on local commitment to Enhanced Partnership (or Franchising)</b></p> <p>Local Transport Authorities (LTAs) to publish <b>Bus Service Improvement Plans by Oct 21 – to cover all LTA area including a plan for rural – and promoting rural bus use including tourism.</b> Plans must be developed in collaboration with local bus operators, community transport bodies and local businesses, services and people</p> <p>Enhanced partnerships need to be <b>in place by April 2022</b> – and even if LTA is committed to following franchising route, will need to have interim Enhanced Partnership. This will unlock access to the £3bn Fund (See below)</p> <p>The White Paper states “Our plan is backed by transformative, long- term funding. The £3bn for buses in England outside London, which was announced by the Prime Minister in February 2020, will initially be invested in:</p> <ul style="list-style-type: none"> <li>• Supporting new and increased services.</li> </ul>

<p>needs on a sustainable basis. A fair share of the extra resources now starting to flow must reach rural areas, to improve existing routes, restore valued lost routes and establish new routes where clear gaps exist. This must be backed up by ensuring predominantly rural local authorities regain and sustain their ability to offer necessary revenue support, which means Government implementing the findings of its Fair Funding Review and taking full account of the costs of rural service delivery.</p>	<ul style="list-style-type: none"> <li>• Giving LTAs the skills and people they need to deliver this strategy – with £25m of the £300m allocated in 2021/22.</li> <li>• Bus priority schemes to speed up journeys – with the first schemes delivered in 2021/22.</li> <li>• Accelerating the delivery of zero emission buses with £120m in 2021/22.</li> </ul> <p>The bulk of the £3bn transformation funding will be paid after the transformational changes begin in April 2022.</p> <p>Seeking better intermodal/inter service connectivity, including hubs at rail stations</p> <p>Rural buses should carry bicycles (inside seems to be the suggestion)</p> <p>Enhanced bus punctuality to become part of Network Management Duty for highway authorities</p> <p>For mixed urban/rural areas the “superbus” network with better connectivity is the objective</p> <p>DfT to issue new guidance to authorities on identifying need for, and funding of, socially necessary services (tendering) – and if guidance doesn’t achieve this objective, may consider mandating</p> <p>The Fair Funding Review has been deferred again to 2022 ‘<b>at the earliest</b>’.</p>
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<p><b>Zero emission buses:</b> as described in the section on decarbonisation, the high costs of introducing electric or hydrogen buses and their fuelling facilities could prove problematic in rural areas. A comprehensive review is needed of the electric grid and, where appropriate, hydrogen supply, to address this risk.</p>	<p>Decarbonisation of bus – hydrogen fuel cell seen as solution for rural. Hugely expensive.</p> <p>New funding mechanisms available. “As a first step we will invest an unprecedented £120m in zero emission buses in 2021/22. This is in addition to £50m from 2020/21 to deliver the first All-Electric Bus Town or City. It will also launch the Zero Emission Bus Regional Area (ZEBRA) scheme, bringing together LTAs, bus operators, energy companies and other stakeholders to develop financial and commercial models of delivering zero emission buses at scale, with government and non- government funding. Note this is all partial top-up funding, not 100%.</p> <p>Ambitious plans sought from operators and LTAs</p> <p>Doesn’t address simple question – is investment affordable?</p> <p>To quote from the RSN’s response to the recent Rural Transport Strategy Consultation:</p> <p>“In that context, the decarbonisation agenda is focusing largely on major urban areas at present and we must ensure that appropriate rural-proofing takes place if the same objective is placed on rural areas. There are practical issues to consider. An electric bus typically costs up to twice as much as its latest clean diesel (Euro VI) equivalent. But whilst there are limited numbers of the latter on the second- hand market, for operators unable to sustain new purchase costs, there are no second-hand electric buses yet available.</p>
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Charging stations are a cost that needs to be added to the cost of going electric and under the current electricity supply regime, the costs of connecting a depot to the grid, including any necessary additional substation infrastructure to accommodate increased load on the system, is borne by the customer requiring the supply – in this case the bus operator. But, most importantly, the operating range of electric buses is still considerably lower than that of diesel – typically up to 150 miles per day, with diesel vehicles capable of twice that. By their nature, rural bus services generally incur greater daily mileage than urban routes and by no means all are suitable for electrification with current technology. In some cases, a second fleet would be required to take over whilst the main fleet received a mid-day charge.

Outside London, where the increased costs of purchase and operation are picked up by Transport for London in contract prices submitted by operators, new purchase of hybrid diesel electric vehicles is now uncommon. They attract a significant price premium over diesel but offer relatively few advantages, the reduced fuel consumption typically being offset by increased maintenance and the need to replace components mid-life. They are gradually increasing their capability of zero emissions operation but at considerably increased cost. Poor reliability and component failure have led to many first-generation hybrid buses being rebuilt to use the latest Euro VI diesel engines, abandoning the electric hybrid component altogether.



Technology moves rapidly in this field and we can expect to see cheaper, more durable and longer-range electric buses in the next few years. But today, rural electric operation is not viable when so many rural routes are already struggling to survive.

Alternative fuels are also available, and if sufficient supply of biomethane can be secured, this can provide a very clean and environmentally sustainable source of powering buses, with relatively small cost premia compared with diesel. Hydrogen fuel cell vehicles are even cleaner – provided the hydrogen is obtained through the use of sustainable energy – but the cost of the vehicles and infrastructure is largely prohibitive even for urban operations, except through heavily subsidised purchasing competitions.

The case for zero emissions bus operation in rural areas is a difficult one to make but if we are to achieve zero carbon for the UK, is one we will be forced into. The difficulty of making a business case for investment is far harder that for an urban environment – not only due to the simple cost differentials, but also practical issues such as vehicle range militate against investment as two vehicles may be required to do the work of one diesel – one having to return to base for a mid- duty recharge. The recent “Electric Town” challenge bidding round announced by DfT requires that all buses in the defined area are zero emissions, meaning that services worked in from rural areas need to be either electric, or equally expensive and technologically less robust extended range hybrid vehicles. A more pragmatic approach to maintaining service whilst meeting the environmental challenges of rural areas needs to be developed, phased to keep pace with technological advancement”.

<p><b><u>Community transport:</u></b> The Rural Mobility Fund is useful, if modest in its scale. Lessons from that Fund’s current round should form the basis for a larger funding pot which is sustained over a longer period. It should, especially, promote the use of community and demand-responsive transport schemes which serve outlying settlements and feed into bus or rail routes. App-based journey planners and booking technologies should be piloted to attract new users, as should through ticketing between transport providers. However, in many rural areas this may require improvements to mobile connectivity</p>	<p>Rural Mobility Fund has made 17 awards already (£20m)– considering expansion</p> <p>Demand Responsive Transport (DRT) - which is not limited to the Community/Voluntary Sector- to be supported in rural areas. Incentives for DRT Will get an additional amount of funding, on the face of it</p> <p>DRT must use accessible vehicles</p> <p>The Bus Service Improvement Plans (to be produced by Oct 21 must be developed in collaboration with local bus operators, community transport bodies and local businesses, services and people</p> <p>Integrated ticketing required where not already provided</p> <p>Review of Bus Services Operator’s Grant (BSOG) could include “new incentives for Demand Responsive Transport, which could encourage the delivery of services, and bus use, in rural areas”;</p> <p>Making BSOG mileage based (as is an option stated) will favour rural areas over urban</p> <p>Incentives for DRT and rural services (which will get “an additional amount” of BSOG)</p>
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**Cycling and walking:**

Government should recognise the potential to improve cycling and walking infrastructure in rural towns, to nearby villages and in urban fringe areas. This can reduce car dependency and improve access to rural employment, services, and retail centres. Funding streams being made available to develop such infrastructure must reach rural areas and not simply focus on larger urban settlements. The condition of rural roads needs addressing as it can be a barrier to cycling.

*Related policy asks appear in the chapter on Decarbonising Rural Communities and Economies.*

Not relevant to this Strategy which is limited to Buses.

## **OTHER ISSUES OF NOTE**

Feed into Regulatory Review on DRT – another opportunity – DRT seen as an answer in this Strategy in many cases, including feeders to trunk routes, evenings, Sundays

Total Transport hailed as a success – so must be seen as a way forward – but existing problems with its delivery not addressed.

Seeking input to Future of Transport – Rural Strategy, but no reference to any new policy statements to follow.

Interim concessionary reimbursement during Covid 19 – new secondary legislation on way to ensure that reimbursement for more than number of boarders remains deliverable without risk of legal challenge

Accessibility of bus stops and better information provision to be addressed