

The future of the bus

Future funding arrangements

October 2019



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Introduction

This report sets out a plan to transform the funding of buses in England. It looks at funding of bus services over the last decade, revealing a picture of incoherent and shrinking funding resulting in degraded or lost services and increasing fares.

The urgent action needed to halt the loss of services may finally now be at hand with the Government committing to introduce a long-term multi-year funding settlement. The research in this report shows how targeted spending and investment, coupled with the new powers available to local authorities, could support a rejuvenation in England's bus networks.

Over the last decade, there have been significant year-on-year reductions to the funding for bus services. The direct consequences of this have been degraded or lost services, diminishing networks and rising fares. In many areas, the indirect consequences have been even more stark. As bus networks decline, so does the ability to make jobs and services accessible,¹ clean the air we breathe, reduce carbon emissions and tackle road congestion.

Looking at the national and local level, this report sets out how and where cuts to buses have been most severe. It records a picture of the numbers of services being cut, passenger numbers falling away, reduced revenue and spiralling fares.

The research also finds some areas continuing to fund buses to high level. Furthermore, in some urban and rural areas a new vision for buses is beginning to emerge based on the role of the bus in connecting communities, tackling congestion, reducing pollution and helping cut carbon emissions.

Cuts to bus services have added to poverty and social exclusion, and to isolation and loneliness. But they can also be part of the solution to these problems. There are plans to establish policy priorities in a National Bus Strategy, give local areas the certainty of multi-year funding and ensure the efficient use of money through approaches such as Total Transport, which brings together public funding and commissioning of local public transport.

After a decade of funding reductions and declining services, a brighter future may finally be around the corner.



Bus services and passenger numbers

This section sets out changes to bus use across England over the last decade. It shows how mileage and passenger numbers have fallen year-on-year in both town and country and how the extent of local authority supported buses has been dramatically reduced with some authorities ceasing to fund them at all.

Buses remain by far the most frequently used form of public transport in Britain – 59 per cent of all public transport journeys are made by bus, attracting 4.8 billion passenger journeys in 2017/18.²

However, passenger journey numbers are in long-term decline, falling by 6.6 per cent across Great Britain between 2009/10 and 2017/18: 5.6 per cent in England, 15.3 per cent in Scotland and 14.5 per cent in Wales (Department for Transport, 2019).

Passenger journeys on local bus services (England)

Year	Passenger numbers England (millions)
2009/10	4,613
2010/11	4,618
2011/12	4,640
2012/13	4,570
2013/14	4,672
2014/15	4,627
2015/16	4,508
2016/17	4,440
2017/18	4,356



Adapted from BUS0103: Passenger journeys on local bus services by metropolitan area status and country: Great Britain. Retrieved October 13, 2019 from Local Bus Passenger Journeys (BUS01)³

Declines in bus use have occurred across urban and rural areas. Decline has been slowest in London at 'only' 0.6 per cent fewer passenger journeys in London in 2017/18 than in 2009/10.⁴

By comparison, passenger journeys made in the rest of England fell by 10.3 per cent over the same period.⁵ More than half of all of bus journeys in England now occur in London – 2.23 billion of 4.36 billion.⁶

Year	London	Change on previous year	England outside London	Change on previous year	English metropolitan areas	Change on previous year	English non-metropolitan areas	Change on previous year	All England	Change on previous year
2009/10	2,238		2,375		1,062		1,313		4,613	
2010/11	2,269	1.4%	2,349	-1.1%	1,032	-2.8%	1,317	1.4%	4,618	1.4%
2011/12	2,324	2.4%	2,316	-1.4%	1,004	-2.7%	1,312	2.4%	4,640	2.4%
2012/13	2,315	-0.4%	2,256	-2.6%	977	-2.7%	1,279	-0.4%	4,570	-0.4%
2013/14	2,384	3.0%	2,288	1.4%	990	1.3%	1,298	3.0%	4,672	3.0%
2014/15	2,364	-0.8%	2,263	-1.1%	975	-1.5%	1,288	-0.8%	4,627	-0.8%
2015/16	2,293	-3.0%	2,215	-2.1%	949	-2.7%	1,266	-3.0%	4,508	-3.0%
2016/17	2,240	-2.3%	2,200	-0.7%	939	-1.1%	1,262	-2.3%	4,440	-2.3%
2017/18	2,225	-0.7%	2,131	-3.1%	907	-3.4%	1,223	-0.7%	4,356	-0.7%

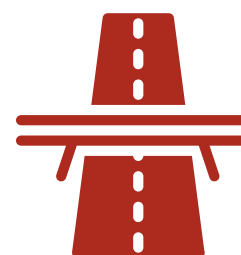
Change between 2009/10 and 2017/18	-13	-0.6%	-244	-10.3%	-155	-14.6%	-90	-6.9%	-257	-5.6%
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Adapted from BUS0103: Passenger journeys on local bus services by metropolitan area status and country: Great Britain. Retrieved October 13, 2019 from Local Bus Passenger Journeys (BUS01)⁷

Vehicle miles on local bus services

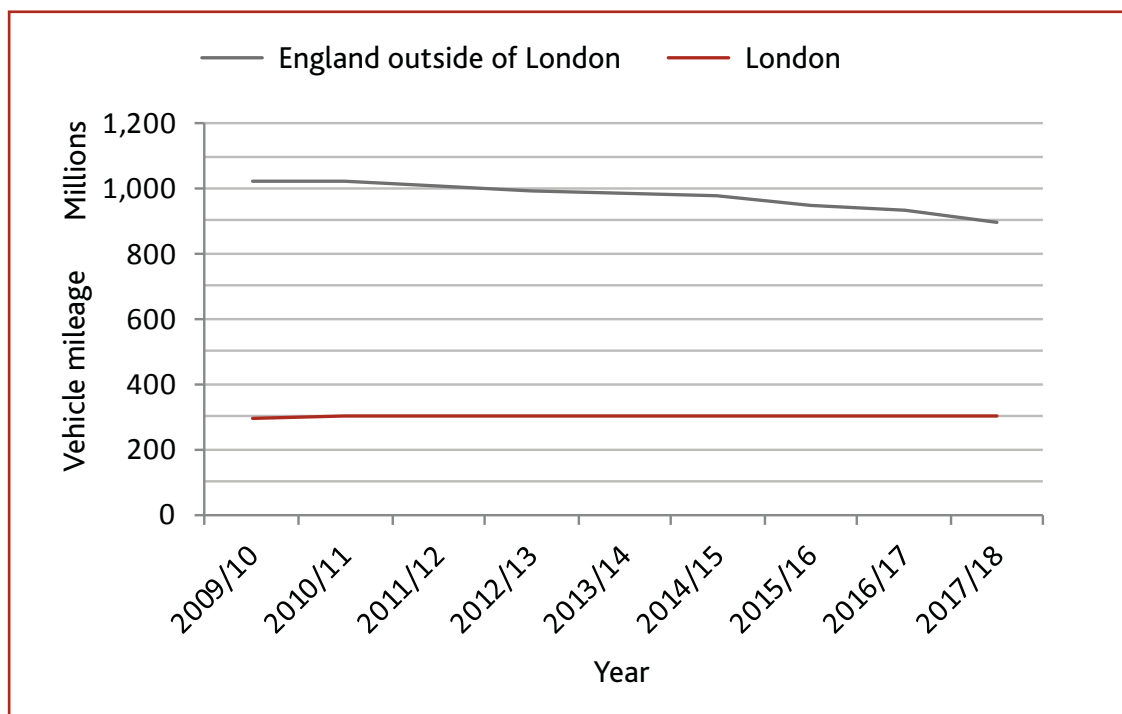
Outside London, the number of bus miles has reduced year-on-year for the last decade, falling by 12 per cent.⁸ Bus miles in London have risen slightly over the same period.

Year	England outside London (millions of miles)	London (millions of miles)
2009/10	1,019	297
2010/11	1,019	299
2011/12	1,005	302
2012/13	994	302
2013/14	989	302
2014/15	976	301
2015/16	948	303
2016/17	934	304
2017/18	894	302



Adapted from BUS0203 Vehicle distance travelled (miles and kilometres) on local bus services by metropolitan area status and country.⁹

Vehicle miles on local bus services in England



Adapted from BUS0203 Vehicle distance travelled (miles and kilometres) on local bus services by metropolitan area status and country.¹⁰

Miles on local authority supported bus services have declined markedly in recent years, more than halving (54 per cent reduction) between 2009/10 and 2017/18.¹¹ The loss of local

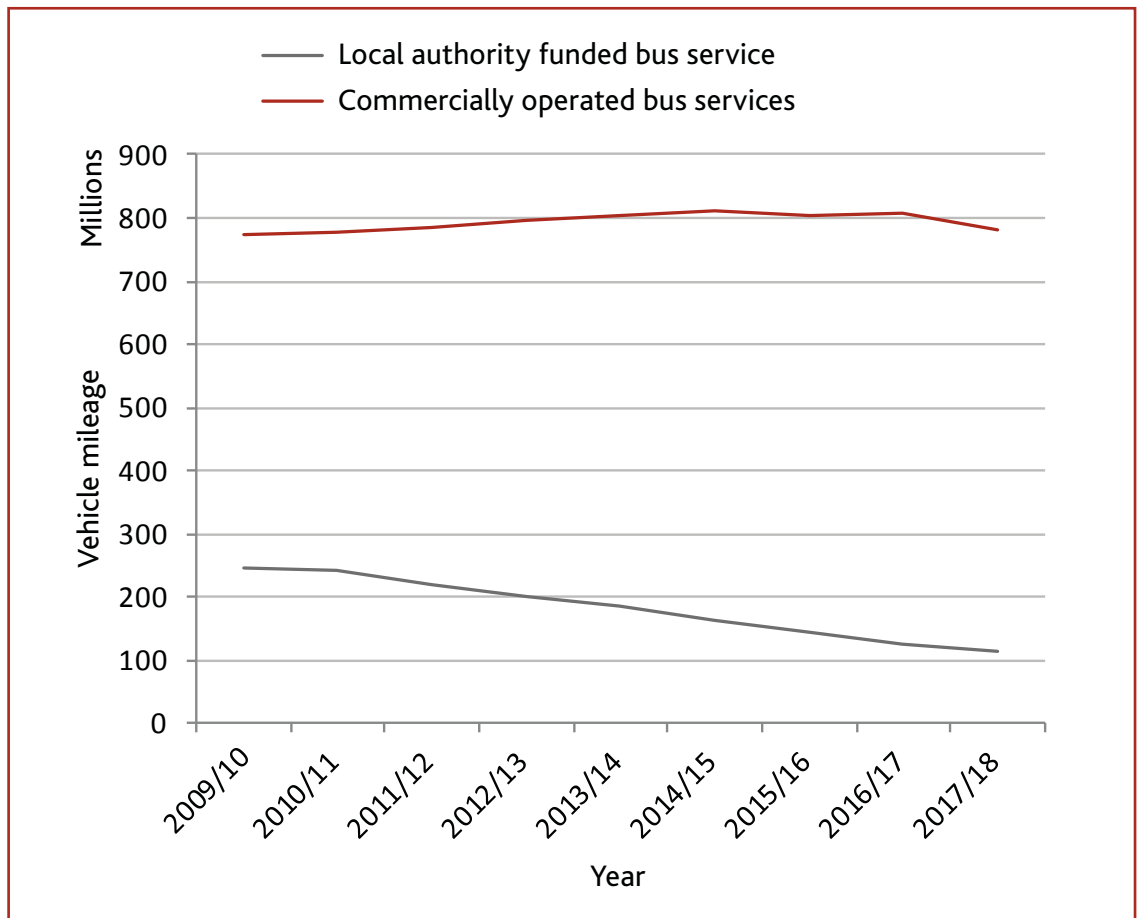
authority funded services has not been made up for with new commercial services. Vehicle miles travelled to operate commercial are now similar to 2009/10.¹²

Vehicle miles of routes in England outside of London

Year	Local authority funded services (millions of miles)	Commercially operated services (millions of miles)
2009/10	247	773
2010/11	242	776
2011/12	219	786
2012/13	199	796
2013/14	184	805
2014/15	164	812
2015/16	145	803
2016/17	125	809
2017/18	114	780

Adapted from BUS0205 Vehicle distance travelled (miles and kilometres) on local bus services by service type and metropolitan areas status and country: Great Britain.¹³

Vehicle miles on local bus services in England: local authority funded & commercially operated



Adapted from BUS0205 Vehicle distance travelled (miles and kilometres) on local bus services by service type and metropolitan areas status and country: Great Britain.¹⁴

Local authority supported buses: Routes cut, amended or reduced in 2018/19

Since 2009, well over 3,000 local authority supported bus services have been cut or reduced. This trend has continued in the current financial year.¹⁵

96

Local authority supported bus routes cut¹⁶

147

Local authority supported bus routes amended or reduced¹⁷

Total of 243

Local authority supported bus routes cut, amended or reduced¹⁸



Local authorities and number of routes completely cut in 2018/19

In the last year, seven local authorities have cut five or more routes completely. The 82 routes which the authorities collectively cut represents 85 per cent of all routes cut across England outside London in 2018/19.

Local transport authority	Number of routes cut
Derbyshire	26
Northamptonshire	21
Greater Manchester	11
Merseytravel	6
West Yorkshire	7
East Riding of Yorkshire	6
Norfolk	5

Data from Campaign for Better Transport research, 2019¹⁹

Local authorities cutting five or more routes partially in 2018/19

In total eight local authorities cut five or more routes partially.

Local transport authority	Number of routes cut
Nottinghamshire	25 partial
West Yorkshire	24 partial
Greater Manchester	18 partial
East Sussex	9 partial
North Lincolnshire	8 partial
Hampshire	6 partial
Buckinghamshire	5 partial
East Riding of Yorkshire	5 partial

Data from Campaign for Better Transport research, 2019²⁰



Local authority support for buses

Buses are local transport, and local authorities have the key public responsibility for ensuring services are as comprehensive as possible. However, local funding of socially important bus services has seen major reductions in recent years.

Ten years ago such buses, which often connect to poorer or isolated areas and communities, represented a third of all bus services. Now, funding for bus services in England has fallen by over £162 million (43 per cent) in real terms in comparison to 2009/10. A number of large local authorities have removed all funding from supported buses. The following councils have cut all funding for bus services: Stockton on Tees, Middlesbrough, Hartlepool, Cumbria, Oxfordshire, Isle of Wight, Swindon and Stoke on Trent.²¹

Local authority spending on supporting buses: England excluding London



Campaign for Better Transport research, 2019²²
*2009/10 spending adjusted for inflation

Local authorities increasing spending

Of the 88 local transport authorities in England (excluding London), 82 have reduced their support for buses in real terms over the last ten years. Just six authorities have reported increased funding in real terms:

Local transport authority	Percentage increase 2009/10 – 2018/19
Central Bedfordshire	106%
Leicestershire	84%
Nottingham	64%
Cornwall	18%
Surrey	4%
Rutland	2%



Campaign for Better Transport research, 2019²³ (adjusted for inflation)

More than half

of local transport authorities report cutting financial support for buses by

50% or more²⁴



More than half of local transport authorities (45 authorities) report cutting financial support for buses by 50 per cent or more. Of these, 29 authorities have cut support for buses by more than 60 per cent.²⁵

The following local authorities did not financially support buses in 2018/19:²⁶



- Stoke on Trent
- Swindon
- Oxfordshire
- Isle of Wight
- Cumbria
- Stockton on Tees
- Hartlepool
- Middlesbrough
- Southend
- Luton

Luton Borough and Southend on Sea Borough Councils have both not funded any local bus services in 2009/10 nor in 2018/19²⁷

Of those authorities which reported spending over a £1 million a year on supporting buses in 2009/10, two now spend nothing (Oxfordshire and Cumbria).

Away from the large urban conurbations, the deepest cuts have been seen in more rural shire counties. The following local transport authorities have cut more than £4 million in buses support in the last ten years:²⁸

Local transport authority	2009/10	2018/19	Total reduction	Percentage reduction
Hertfordshire	£8,669,071	£2,042,105	£6,626,966	76%
North Yorkshire	£7,846,520	£1,371,039	£6,475,481	83%
Nottinghamshire	£10,014,330	£4,100,000	£5,914,330	59%
Lancashire	£8,564,887	£3,500,000	£5,064,887	59%
Derbyshire	£7,221,855	£2,864,586	£4,357,269	60%
Northamptonshire	£4,492,075	£429,543	£4,062,532	90%
Oxfordshire	£4,036,999	£0	£4,036,999	100%

(adjusted for inflation)

Which local transport authorities have the highest percentage of routes subsidised?

Despite cuts in support overall, a number of local authorities continue to fund a significant percentage of bus services in their local area. Those local authorities supporting one-in-five or more of bus services in their counties are detailed, below.

Local transport authority	Total bus miles (millions)	Percentage of overall bus mileage supported by LTA
Wiltshire	6.3	38%
Shropshire	3.4	38%
Cornwall	8.9	38%
Cheshire East	3.1	37%
Surrey	9.7	34%
Somerset	7.5	32%
Devon	15.6	26%
Derbyshire	16.2	22%
Milton Keynes	5.6	20%
Warwickshire	8.8	20%
North Yorkshire	8.1	20%

*Adapted from BUS0208: Vehicle distance travelled on local bus services by service type and local authority: England, latest available year.²⁹
(Qualification: Local transport authorities supporting over 1 million miles a year of supported buses)*



School transport

Local authorities set their own school transport policies. Most offer free school transport to some pupils. This is generally based on criteria including living within the county or school catchment; being registered at a particular school; and living outside a distance which could reasonably be walked or cycled.

Outside of the main cities, English local authority support for school transport amounted to £251.5 million in 2018/19. This figure has dropped sharply over the last five years with funding declining by £50 million in real terms since 2013/14, a fall of 16 per cent.³⁰

The following authorities cut support for school transport by more than £1 million between 2013/14 and 2018/19:

Local transport authority	School transport budget reduction 2013/14 – 2018/19	Percentage cut in transport budget
Kent	£6,309,018	55%
Buckinghamshire	£3,600,056	36%
Lancashire	£3,296,357	43%
Lincolnshire	£3,086,233	22%
Leicestershire	£2,748,719	49%
North Yorkshire	£2,622,807	21%
Oxfordshire	£2,363,421	30%
Staffordshire	£1,859,969	30%
Derbyshire	£1,796,686	38%
Durham	£1,735,579	43%
Suffolk	£1,363,019	11%
Cornwall	£1,356,492	14%
Warwickshire	£1,333,787	15%
Cambridgeshire	£1,309,452	11%
Norfolk	£1,290,969	9%
Hampshire	£1,208,963	14%
Isle of Wight	£1,187,735	35%
Northamptonshire	£1,175,826	18%
Dorset	£1,020,772	14%
Essex	£1,009,243	10%

(adjusted for inflation)³¹



Nine authorities cut support for school transport by more than half in real terms between 2013/14 and 2018/19:

Local transport authority	School transport budget reduction 2013/14 - 2018/19	Percentage school transport budget reduction 2013/14 – 2018/19
Blackburn with Darwen	£637,303	78%
Kingston upon Hull	£603,595	77%
Derby City	£225,313	73%
Southend-on-Sea	£121,191	71%
Darlington	£489,404	69%
Stoke-on-Trent	£142,217	59%
Halton	£79,759	56%
Kent	£6,309,018	55%
Warrington	£247,308	52%

(adjusted for inflation)³²

Fifteen local authorities maintained or increased their support for school transport in real terms between 2013/14 and 2018/19:

Local transport authority	School transport budget increase 2013/14 – 2018/19	Percentage school transport budget increase 2013/14 – 2018/19
Reading	£65,484	43%
Nottingham	£29,776	32%
Blackpool	£7,762	27%
Bracknell Forest	£84,546	25%
Central Bedfordshire	£740,292	23%
Surrey	£801,659	15%
Devon	£1,305,229	11%
Peterborough	£63,162	9%
Worcestershire	£257,496	7%
Nottinghamshire	£196,290	4%
Southampton	£2,698	3%
Cumbria	£13,094	0%
North Lincolnshire	- £12,382	-1%
Northumberland	- £44,876	-1%
Somerset	- £167,438	-2%

(adjusted for inflation)³³

School transport information from the following areas is not included in the tables: **London, Greater Manchester, Liverpool City Region, West Midlands and South Yorkshire.** In these

areas, school transport is not the responsibility of the local transport authority and is instead held by a lower tier of government, for example borough authorities in London.

National funding for buses

Current revenue support for buses

Bus operators receive de facto revenue support from two main sources: the English National Concessionary Travel Scheme and the Bus Service Operators Grant.

The Bus Service Operators Grant (BSOG) is a fuel duty rebate overseen by the Department for Transport that can be claimed by registered local bus operators. It is also available to community transport operators in some circumstances. In operation since the 1960s, the objectives of the grant are to benefit passengers by reducing operating costs. The effect of this is intended to be twofold: minimising increases in fares and allowing more marginal services to continue operating. After reform in 2012, some local authorities have an active role in identifying priorities for local BSOG payments.

The English National Concessionary Travel Scheme (ENCTS) was introduced in 2008 and allows people of state pension age or registered disabled free off-peak bus travel. It is operated by the Department for Transport in conjunction with local authorities, with bus operators being reimbursed every time a bus pass holder travels.

In real terms, both revenue sources have seen year-on-year declines in funding for the last decade. During this period BSOG has fallen by 31 per cent and ENCTS by 13 per cent. This is equivalent to a reduction in national government support for local bus services of £234 million from 2009/10 to 2017/18.

Central government revenue support for local bus services by source – England outside London (millions of pounds, 2017/18 prices)

Year	BSOG (£millions)	Change on previous year	ENCTS (£millions)	Change on previous year	Total (£millions)	Change on previous year
2009/10	£363		£899		£1,262	
2010/11	£350	-4%	£911	1%	£1,261	0%
2011/12	£353	1%	£868	-5%	£1,222	-3%
2012/13	£280	-21%	£859	-1%	£1,139	-7%
2013/14	£273	-3%	£857	0%	£1,130	-1%
2014/15	£264	-3%	£857	0%	£1,121	-1%
2015/16	£265	0%	£846	-1%	£1,111	-1%
2016/17	£257	-3%	£812	-4%	£1,069	-4%
2017/18	£249	-3%	£779	-4%	£1,028	-4%
Change between 2009/10 and 2017/18	-£114	-31%	-£120	-13%	-£234	-19%

(all figures are actual spend)³⁴

The proportion of the bus revenue BSOG accounts for has fallen from 11 per cent in 2009/10 to seven per cent in 2017/18. Overall national government support for bus services has fallen 19 per cent – by £234 million since

2009/10 (Department for Transport, 2019). As a proportion of bus revenues, overall national bus funding including the ENCTS has fallen from 37 per cent of bus revenues to 30 per cent.³⁵

Year	Total bus revenue (£millions)	BSOG (£millions)	BSOG % of total revenue	ENCTS (£millions)	ENCTS % of total revenue	Total UK government support of bus services (£millions)	UK government support as % of total revenue
2009/10	£3,438	£363	11%	£899	26%	£1,262	37%
2010/11	£3,444	£350	10%	£911	26%	£1,261	37%
2011/12	£3,479	£353	10%	£868	25%	£1,222	35%
2012/13	£3,451	£280	8%	£859	25%	£1,139	33%
2013/14	£3,508	£273	8%	£857	24%	£1,130	32%
2014/15	£3,480	£264	8%	£857	25%	£1,121	32%
2015/16	£3,431	£265	8%	£846	25%	£1,111	32%
2016/17	£3,418	£257	8%	£812	24%	£1,069	31%
2017/18	£3,398	£249	7%	£779	23%	£1,028	30%

UK government support for local bus services in England 2009/10 to 2017/18³⁶

Reductions in revenue support for buses have come about partly as a result of lower journeys numbers. However, it is important to note that BSOG's value per passenger journey has also been in decline across urban and rural environments.

BSOG per passenger journey (pence) (all at current prices)

Year	England	Change on previous year	Metropolitan areas excluding London	Change on previous year	Non-metropolitan areas	Change on previous year
2009/10	9.3		10.4		15.8	
2010/11	9.1	-2%	10.5	1%	15.5	-2%
2011/12	9.3	2%	11.1	6%	15.9	3%
2012/13	7.6	-18%	9.1	-18%	13.2	-17%
2013/14	6.4	-16%	8.9	-2%	13.0	-2%
2014/15	5.4	-16%	8.7	-2%	12.9	-1%
2015/16	5.6	4%	9.1	5%	13.2	2%
2016/17	5.7	2%	8.8	-3%	13.4	2%
2017/18	5.7	0%	9.2	5%	13.6	1%

Adapted from statistics published in BUS0503³⁷

The bus pass remains very popular, with 9.4 million older and disabled concessionary travel passes in use England in 2017/18 – 90 per cent of concessionary passes are given to older people and ten per cent to disabled people. Of those eligible to have a concessionary pass, 78 per cent of older people have one.³⁸ However, the total number of concessionary bus journeys made using the pass has fallen – down 4.8 per cent in 2017/18 in comparison to 2016/17, reducing by 4.8 per cent between 2016/17 and 2017/18.³⁹

The case for a new model of funding

Changes are required to address the shortcomings in the way bus services are funded and supported. Steps should be taken by the Government to ensure that bus networks are reinvigorated, and that best value is gained from the public funds that are spent and invested.

Policy priorities

The Government committed in October 2019 to bring forward a National Bus Strategy with a long-term funding settlement by Spring 2020. Campaign for Better Transport has produced detailed priorities for a National Bus Strategy in our report *The Future of the Bus: Policy and Fiscal Interventions* as part of a National Bus Strategy (September 2019).

The forthcoming National Bus Strategy needs to create a clear national framework to guide investment for reinvigorating bus services across the country. The strategy should set out a framework to deliver the following outcomes:



**Increased usage of bus services
across the country**



**A clear route to zero
emission buses**



**Better integration of buses
with other transport**



**Growth in use of technology
to improve services**

A new funding settlement is needed

Measures are needed to address the fragmented and short-term nature of the current funding while targeting capital investment and revenue support at the delivery of specific benefits as set out in a National Bus Strategy. None of this can be achieved with the existing short-term funding arrangements, so a programme of measures supported by multi-year funding is required.

The current funding landscape doesn't ensure value is achieved from the multiple sources of public sector spending including BSOG, concessionary travel, NHS patient transport, school transport and social services.

ENCTS funding has failed to keep up with inflation while privileging bus pass holders of a specific demographic above other equally deserving groups. BSOG remains a blunt instrument. These funding mechanisms should not continue in their current form. In developing a new settlement, national and local government should ensure that the funding provided to support and grow bus networks delivers social, economic and environmental benefits. Measures should be taken to ensure the transition to a new funding model does not impact the viability of existing services as funding changes are introduced. As although the BSOG and ENCTS are blunt instruments, the revenue support they provide is essential to the viability of many bus services.

The future of capital support

Rejuvenating the country's buses requires a new approach to capital investment in zero emission fleet, physical and digital infrastructure. As part of the long-term funding settlement, the Government should set out capital support available. The capital support provided should deliver toward the National Bus Strategy aims, and ensure the bus sector contributes to clean air and decarbonisation policy objectives.



There should be several capital funds made available that support improvements in bus services:

- £ Local transport infrastructure fund
- £ Zero emission fleet and depot transition fund
- £ Zero emission bus manufacturing fund
- £ Strategic Road Network designated fund.

The future of revenue support

Local authorities and bus operators need the ability to plan for the longer term and ensure the sustainability of socially necessary services, boosting patronage and improving service quality.

Existing revenue support should be reformed and better targeted at delivering specific benefits against the outcomes from a National Bus Strategy. This should include increasing usage of bus services through growing provision and encouraging bus use, whilst ensuring appropriate revenue support is in place for those socially necessary services that are critical to communities; and supporting new models of delivery.

Revenue funding sources should be combined within a single, ring-fenced, long-term framework covering revenue and capital support from taxpayer funds to local authorities and bus operators. A new revenue support mechanism should be aimed at

meeting criteria that reflect the aims and outcomes of the National Bus Strategy. This should include targeted fares subsidies, fleet transformation and revenue support targeting specific benefits, for example subsidy for concessionary fares or to support services in specific geographic locations.

We propose the Government should explore two elements to a new revenue support mechanism: a primary funding stream for improving provision, and a supplemental funding stream for general support to all operators that is provided in the transition period to a new funding landscape and encourages the shift to zero emission vehicles.

The primary funding stream should ensure revenue support for the following purposes:

- £ Retaining and instating services identified locally as socially important, including support for evening and weekend services
- £ Facilitating the expansion in use of a Total Transport model combining funding and commissioning of local transport services to support socially necessary services at the local level
- £ Funding concessionary fares and targeted measures to reduce fares
- £ Accelerating the take-up of new city bus-based services
- £ Initiating new models of delivery for rural transport
- £ Incentives for consumers to switch to public transport.



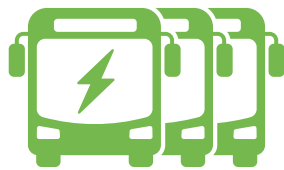
A supplemental funding stream should be considered as part of the new revenue support mechanism as a measure to smooth the transition from BSOG to a new funding landscape. It should act as wider support whilst the primary revenue funding delivers

improvements in patronage, encourages modal shift and supports those services that are not commercially viable. The supplemental funding stream should be used to encourage a shift to zero emission vehicles.

The Government should consider the following elements to a supplemental funding stream:

£ A basic supplemental payment on a per mile (or km) basis for all bus operators. Consideration should also be given to a per passenger approach

£ An additional incentive payment that only zero emissions buses are eligible for on top of the basic supplemental payment to incentivise the shift to zero emissions buses



£ Support for fossil fuelled vehicles should taper, with the most polluting vehicles losing support first (Euro IV and lower), with all fossil fuelled vehicle support withdrawn by 2025. The Government should no longer provide grant or revenue funding that supports polluting buses that conflict with its legally binding targets to meet net zero greenhouse gas emissions, or its obligations to improve air quality

£ This supplemental funding stream should taper over time to reduce the level of grant payment given to all bus services, with it being withdrawn by 2030.



Capital fund priorities

Local transport infrastructure fund

Bus priority measures and infrastructure improvements for bus services are necessary to reduce the impact of congestion on the reliability of services, which is one cause of the declining level of bus use.

The Government should create a local bus infrastructure fund with capital funding to encourage investment by local authorities in bus lanes, urban traffic control, priority at lights, bus waiting facilities, interchanges and bus stations.

This fund should be linked to a target for improving patronage or improved reliability and speed of services. It should ensure better integration between transport modes at the local level, as well as more effective interchanges.

Improved integration between modes should also be actively supported. Network Rail, train operators and local authorities should work closely together to ensure ease of interchange at key stations. This should include capital funding from Government to support easier physical interchange, data availability for journey planning and the widespread adoption of multimodal ticketing.



Zero emission fleet & depot transition fund

In the National Bus Strategy, the Government should set a deadline for the sector to transition to zero emission (electric or hydrogen) buses:

From 2025, all new buses should be

zero emission



By 2035, all buses on the road should be

zero emission



To facilitate an acceleration in the deployment of zero emission buses the Government should provide capital support in advance of 2025 to support the infrastructure changes needed at depots, and the purchase or retrofit of fleet to zero emission. In particular, the Government should ensure that the capital support for infrastructure delivers wider needs for PHV/ taxi, private vehicles and other fleet when providing funding so that there is minimal duplication of spending.



Zero emission bus manufacturing fund

The Government should support the bus manufacturing sector and supply chain to scale up its production to meet the needs of the transition to zero emission buses. As part of a bus manufacturing sector deal alongside the National Bus Strategy, the Government should provide capital support to retool production

lines, expand capacity and ensure there is adequate supply in the UK market. Investment would aid progress toward decarbonisation targets and the implementation of clean air plans across the UK, as well as create high skilled jobs in manufacturing and the wider supply chain.



Strategic Road Network designated fund

Investment is needed to improve the reliability of the Strategic Road Network (SRN) for buses seeking to use or cross it. Common locations for problems to develop include entry and exit points for inter-urban buses and the periphery of major urban centres where buses use or cross the SRN. Highways England should work with local authorities to identify points where the operation of the SRN is causing delays or undermining the reliability of bus journey times.

The Design Manual for Roads and Bridges should be reviewed to ensure bus priority features are included more prominently in scheme design.

Capital funding allocated to Highways England from the second round of Road Investment Strategy funds should be allocated into a designated fund for infrastructure interventions designed to improve the usability of the SRN for buses. This should aim to resolve the issues for buses using the SRN.



Local delivery

Local authorities receiving funding should be required to produce Local Bus Investment Plans, and work with operators, where necessary providing funding, to procure or support services and ensure that there is a coherent, integrated local network of services that interchanges effectively with other modes.

Local infrastructure improvements to support buses should encompass interventions to improve the efficiency and reliability of services and facilities to allow for the decarbonisation of bus fleets. This should include electric charging networks where appropriate and upgrades to depots.

On the existing road network, local authorities should identify key locations where the use of bus only routes and priority traffic lights are desirable. On occasion, this should take the form of a network of routes such as in the development of Bus Rapid Transit systems.

Local authorities should ensure that new housing and commercial development is designed in a manner that supports good accessibility by buses. Where appropriate, this should include bus priority measures and road layouts designed to allow easy pick up and drop off of passengers.

At local level, local authorities, NHS patient transport, school transport and social services transport budgets should be combined to create a single local bus funding pot to support bus services. Based on a model piloted in the UK in 2015, this approach seeks to maximise the

benefit of existing spending on transport by the public sector, creating a single commissioning pot managed by the local authority from school transport, local authority bus funding, NHS patient transport and social services transport. To deliver this, local authorities should produce investment plans to improve usage of buses and plan properly for the future, including new services such as demand responsive options.

Local authority-run Total Transport partnerships, which include school transport and non-emergency patient transport, should expect that services or vehicles currently employed for those specific functions will at other times be used as part of general public transport provision.

All local authority and combined authority areas with franchise arrangements or Advanced Quality Partnerships should have the opportunity for up to 100 per cent of revenue support mechanism funding devolved to them, giving them extra power to target resources to agreed objectives including priority areas or groups. This should include the ability to target funding locally to increasing services and minimising fares for specified geographic locations or communities.



Raising revenue locally

As part of the long-term funding settlement, national government should ensure all local authorities seek additional and alternative sources of revenue to promote public transport locally and encourage greater use of the bus. This should be aimed at ensuring a long-term sustainability of funding and not a replacement for central government funding in the short to medium term.

This should include the following approaches:

Workplace Parking Levy

A Workplace Parking Levy is a mechanism to constrain congestion levels and promote economic growth. It is a financial levy on employers who provide parking at their places of employment. Money raised should be used to subsidise local public transport such as bus services. Such a levy has been used in Nottingham and is under consideration elsewhere

Clean Air Zones

Clean Air Zones work by charging drivers of polluting vehicles for entering areas particularly affected by air pollution. Funds raised should be used to invest in zero emission public transport alternatives

Road user charging

As the pace of electrification of road transport grows, tax taken from conventional fuel and vehicle taxes will decline. There should be a mechanism to replace Vehicle Excise Duty and fuel duty with revenue retained at the local level to fund road maintenance, model shift and public transport provision.



Capacity and capability building for local authorities

Many of the powers and opportunities are already in principle available to all local transport authorities in England. However, 35 years since the deregulation of the bus market many local authorities outside of major conurbations now lack the institutional memory, capabilities and skills required to oversee and improve bus services in their area. This is a central contributor to slow take up of Bus Services Act 2017 powers.

National government should ensure local authorities are supported to rapidly upskill and build capability at the local level to ensure the pace of delivery required by a National Bus Strategy is met. This should include a central team within government that can be deployed to aid local authorities in building capacity in-house on legal, costing services, running and monitoring concessions or contracts, and management of partnerships and relationships. This should be part of ensuring that local authorities can use powers effectively and reduce the learning curve.

Annex one: Full table of results

	Region	Local authority spend on buses 2018/19	Amount changed (£) 09/10 – 18/19	Amount changed (%) 09/10 – 18/19	Services removed (partial/complete) 2018/19	School transport spending 2018/19	Amount changed (£) 13/14 – 18/19	Amount changed (%) 13/14 – 18/19
Nottingham City Council	East Midlands	£3,998,000	£1,563,266	64%	0	£122,245	£29,776	32%
Nottinghamshire County Council	East Midlands	£4,100,000	-£5,914,330	-59%	25 partial, 2 complete	£5,600,000	£196,290	4%
Rutland County Council	East Midlands	£541,800	£9,196	1.73%	1 partial	£453,653	-£87,450	-16%
Northamptonshire County Council	East Midlands	£429,543	-£4,062,532	-90%	21 complete	£5,354,590	-£1,175,826	-18%
Lincolnshire County Council	East Midlands	£5,067,990	-£1,204,095	-19%	3 partial, 1 complete, 6 new supported added	£11,044,796	-£3,086,233	-22%
Derbyshire County Council	East Midlands	£2,864,586	-£4,357,269	-60%	26	£4,584,114	-£1,796,686	-28%
Leicestershire County Council	East Midlands	£2,403,374	£1,096,306	84%	0	£2,908,138	-£2,748,719	-49%
Derby City Council	East Midlands	£8,908	-£325,034	-97%	0	£81,671	-£225,313	-73%
Leicester City Council	East Midlands	£444,000	-£882,899	-66%	0			
Central Bedfordshire Council	East of England	£964,286	£495,150	106%	0	£4,017,846	£740,292	23%
Peterborough City Council	East of England	£599,783	-£862,425	-59%	2 partial	£778,290	£63,162	9%
Norfolk County Council	East of England	£2,800,000	-£2,470,700	-47%	7 partial, 5 complete	£12,467,114	-£1,290,969	-9%
Essex County Council	East of England	£9,778,718	-£3,679,753	-27%	1 complete	£9,115,634	-£1,009,243	-10%
Suffolk County Council	East of England	£1,754,012	-£3,805,850	-68%	0	£10,893,836	-£1,363,019	-11%
Cambridgeshire County Council	East of England	£1,998,000	-£36,490	-1.79%	0	£10,296,570	-£1,309,452	-11%

Region	Local authority spend on buses 2018/19	Amount changed (£) 09/10 – 18/19	Amount changed (%) 09/10 – 18/19	Services removed (partial/complete) 2018/19	School transport spending 2018/19	Amount changed (£) 13/14 – 18/19	Amount changed (%) 13/14 – 18/19
Bedford Borough Council	£611,612	-£680,699	-53%	0	£74,825	-£15,642	-17%
Hertfordshire County Council	£2,042,105	-£6,626,966	-76%	0	£3,108,589	-£664,504	-18%
Thurrock Borough Council	£464,860	-£611,970	-57%	0	£517,034	-£200,200	-28%
Southend on Sea Borough Council	£0	£0	0%	0	£48,564	-£121,191	-71%
Luton Borough Council	£0	£0	0%				
Northumberland County Council	£1,619,462	-£1,093,834	-40%	0	£3,700,591	-£44,876	-1%
Hartlepool Council	£0	-£556,447	-100%	0	£189,000	-£138,600	-42%
Durham County Council	£2,443,184	-£3,206,070	-57%	0	£2,278,023	-£1,735,579	-43%
Darlington Borough Council	£47,647	-£537,594	-92%	0	£224,531	-£489,404	-69%
Stockton-on-Tees Council	£0	-£702,440	-100%	0			
Middlesbrough Council	£0	-£217,366	-100%				
Redcar and Cleveland Borough Council	£31,200	-£867,824	-97%	0			
Tyne and Wear ITA NEXUS	£7,771,733	-£5,090,928	-40%	3 partial, 1 complete			
Blackpool Borough Council	£21,699	-£346,616	-94%	no data	£36,348	£7,762	27%
Cumbria County Council	£0	-£2,503,582	-100%	0	£10,514,623	-£13,094	0%
Cheshire West and Chester Council	£628,117	-£715,221	-53%	1 complete	£1,851,036	-£228,000	-11%

Region	Local authority spend on buses 2018/19	Amount changed (£) 09/10 – 18/19	Amount changed (%) 09/10 – 18/19	Services removed (partial/complete) 2018/19	School transport spending 2018/19	Amount changed (£) 13/14 – 18/19	Amount changed (%) 13/14 – 18/19
Cheshire East Council	£2,362,224	-£858,174	-27%	0	£2,081,223	-£401,238	-16%
Lancashire County Council	£3,500,000	-£5,064,887	-59%	0	£4,324,000	-£3,296,357	-43%
Warrington Borough Council	£307,072	-£1,826,867	-86%	0	£228,869	-£247,308	-52%
Halton Borough Council	£452,620	-£498,798	-52%	3 complete	£63,594	-£79,759	-56%
Blackburn with Darwen Borough Council	£30,329	-£904,019	-97%	0	£180,915	-£637,303	-78%
Merseytravel ITA	£15,612,693	-£12,063,077	-44%	6 complete plus 8 mostly commercial services cut but partially replaced	£0	£0	
Greater Manchester ITA	£28,200,000	-£13,306,762	-32%	11 cut completely, 18 partial	£0	£0	
Reading Borough Council	£3,878	-£580,022	-99%	3 complete (community link bus)	£218,580	£65,484	43%
Bracknell Forest Borough Council	£710,844	-£311,078	-30%	0	£424,765	£84,546	25%
Surrey County Council	£12,594,372	£540,507	4.48	3 partial	£6,196,231	£801,659	15%
Southampton City Council	£115,000	-£707,905	-86%	0	£96,457	£2,698	3%
Milton Keynes Council	£1,310,054	-£1,438,343	-52%	0	£782,220	-£65,548	-8%
West Sussex County Council	£2,350,004	-£2,515,183	-52%	0	£3,577,961	-£332,248	-8%

Region	Local authority spend on buses 2018/19	Amount changed (£) 09/10 – 18/19	Amount changed (%) 09/10 – 18/19	Services removed (partial/complete) 2018/19	School transport spending 2018/19	Amount changed (£) 13/14 – 18/19	Amount changed (%) 13/14 – 18/19
Royal Borough of Windsor & Maidenhead	£839,000	-£183,516	-18%	0	£497,159.52	-£58,025	-10%
East Sussex County Council	£1,242,842	-£1,770,233	-59%	9 partial cuts and 2 complete	£2,744,130	-£322,950	-11%
Wokingham Borough Council	£661,533	-£215,811	-25%	0	£716,064	-£105,187	-13%
Hampshire County Council	£3,965,187	-£3,710,759	-48%	6 partial reductions	£7,384,114	-£1,208,963	-14%
Oxfordshire County Council	£0	-£4,036,999	-100%	0	£5,553,777	-£2,363,421	-30%
Isle of Wight Council	£0	-£338,642	-100%	0	£2,219,959	-£1,187,735	-35%
Buckinghamshire County Council	£2,109,000	-£2,343,424	-53%	5 partial and 1 complete	£6,516,424	-£3,600,056	-36%
Brighton and Hove City Council	£1,186,143	-£825,873	-41%	1 partial increase	£126,644	-£74,672	-37%
West Berkshire Council	£911,445	-£799,732	-47%	0	£913,315	-£545,942	-37%
Kent County Council	£6,107,148	-£1,447,305	-19%	1 partial	£5,199,764	-£6,309,018	-55%
Portsmouth City Council	£68,607	-£868,260	-93%	0			
Slough Borough Council	£99,225	-£338,160	-77%	0			
Medway Council	£950,288	-£391,321	-29%	0			
Bournemouth Borough Council	£298,832	-£427,044	-59%	0	£608,973		
Devon County Council	£5,231,112	-£3,719,425	-42%	0	£13,705,950	£1,305,229	11%
Somerset County Council	£2,898,654	-£3,894,953	-57%	P&R partial reduction	£9,321,783	-£167,438	-2%

Region	Local authority spend on buses 2018/19	Amount changed (£) 09/10 – 18/19	Amount changed (%) 09/10 – 18/19	Services removed (partial/complete) 2018/19	School transport spending 2018/19	Amount changed (£) 13/14 – 18/19	Amount changed (%) 13/14 – 18/19
Bristol City Council	£1,384,412	-£494,813	-26%	P&R services reduced	£5,470,986	-£670,151	-11%
Bath and North East Somerset Council	£556,148	-£1,179,731	-68%	2 partial	£1,585,997	-£194,444	-11%
Wiltshire Council	£4,756,488	-£2,500,718	-34%	4 partial	£4,997,060	-£761,848	-13%
Dorset County Council	£1,237,182	-£2,077,592	-63%	0	£6,375,828	-£1,020,772	-14%
Cornwall Council	£6,200,000	£929,300	18%	0	£8,100,000	-£1,356,492	-14%
Gloucestershire County Council	£1,726,661	-£141,657	-8%	1 complete	£3,400,000	-£765,360	-18%
Poole Borough Council	£640,040	-£435,183	-40%	1 partial	£435,617	-£117,100	-21%
North Somerset Council	£180,960	-£900,228	-83%	3 partial	£1,281,000	-£346,868	-21%
South Gloucestershire Council	£1,115,286	-£1,533,423	-58%	0	£1,099,000	-£509,729	-32%
Swindon Borough Council	£0	-£344,185	-100%	0	£588,400	-£422,598	-42%
Plymouth City Council	£391,146	-£77,062	-16%	7 minor changes			
Torbay Borough Council	No data						
Worcestershire County Council	£3,102,000	-£2,630,530	-46%	0	£3,905,000	£257,496	7%
Shropshire Council	£2,731,604	-£584,384	-18%	0	£7,629,076	-£638,125	-8%
Warwickshire County Council	£1,689,890	-£990,987	-37%	0	£7,454,976	-£1,333,787	-15%
Herefordshire Council	£779,000	-£1,461,047	-65%	1 complete	£3,500,000	-£890,514	-20%
Staffordshire County Council	£1,358,563	-£3,600,802	-73%	0	£4,333,861	-£1,859,969	-30%

	Region	Local authority spend on buses 2018/19	Amount changed (£) 09/10 – 18/19	Amount changed (%) 09/10 – 18/19	Services removed (partial/complete) 2018/19	School transport spending 2018/19	Amount changed (£) 13/14 – 18/19	Amount changed (%) 13/14 – 18/19
Telford and Wrekin Council	West Midlands	£401,245	-£122,896	-23%	0	£594,929	-£304,412	-34%
Stoke on Trent City Council	West Midlands	£0	-£432,734	-100%	0	£98,000	-£142,217	-59%
West Midlands ITA CENTRO	West Midlands	£8,440,000	-£2,060,552	-20%	3 partial, 1 complete	£0	£0	0%
West Yorkshire ITA METRO	Yorkshire and the Humber	£22,943,000	-£13,654,105	-37%	7 complete, 24 partial	£833,000		
North Lincolnshire Council	Yorkshire and the Humber	£598,000	-£461,411	-44%	8 partial and 4 more replaced by Call Connect	£1,136,067	-£12,382	-1%
East Riding of Yorkshire Council	Yorkshire and the Humber	£1,340,419	-£1,121,741	-46%	5 partial and 6 complete cuts	£3,616,656	-£194,507	-5%
North Yorkshire County Council	Yorkshire and the Humber	£1,371,039	-£6,475,481	-83%	1 partial	£9,856,852	-£2,622,807	-21%
City of York Council	Yorkshire and the Humber	£646,667	-£338,194	-34%	0	£916,977	-£247,076	-21%
North East Lincolnshire Council	Yorkshire and the Humber	£161,013	-£16,873	-9%	0	£194,727	-£86,251	-31%
Hull City Council	Yorkshire and the Humber	£206,950	-£288,177	-58%	0	£184,023	-£603,595	-77%
South Yorkshire PTE	Yorkshire and the Humber	£7,164,323	-£6,682,211	-48%	3 partial	£0	£0	
	Total	£218,674,761	£162,718,491			£251,532,565	-£50,293,781	

Annex two: methodology

The research underpinning this report is based on data from two sources; the Department for Transport's bus statistics and Freedom of Information requests made under the Freedom of information Act 2000 by Campaign for Better Transport to all local transport authorities in England on 23 April 2019.

The information about funding for supported buses and withdrawn routes has been collected by contacting all 88 local transport authorities in England as well as the combined authorities responsible for public transport within large urban areas.

The information request asks for actual spend on supported buses in 2009/10 and 2018/19. We also requested information on support for school buses in 2013/14 and 2018/19. Older figures have been adjusted for inflation using the RPI measure of inflation.

The following local authorities did not provide any details of their spending to support buses:

Torbay

The following local authorities did not provide details of their spending to support buses for 2009/10:

Derby City	Stockton on Tees
Derbyshire	Medway
Lincolnshire	Slough
Nottingham	West Berkshire
Bedford	Dorset
Darlington	North Somerset
Durham	Torbay
Hartlepool	Worcestershire
Redcar and Cleveland	North Yorkshire

Where no data for supported buses is available, Campaign for Better Transport has estimated based on previous data provided for 2009/10 and adjusted for inflation.

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Campaign for Better Transport's vision is for all communities to have access to high quality, sustainable transport that meets their needs, improves quality of life and protects the environment.

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