

**GREATER MANCHESTER HOUSING PLANNING AND ENVIRONMENT OVERVIEW & SCRUTINY HELD
ON FRIDAY 19 MARCH 2021, AT 12:00 PM VIA MICROSOFT TEAMS**

PRESENT:

Councillor John Walsh (Chair)	Bolton
Councillor Martin Hayes	Bury
Councillor Mandie Shilton Godwin	Manchester
Councillor Jill Lovecy	Manchester
Councillor Sam Al-Hamdani (Substitute)	Oldham
Councillor Charles Gibson	Stockport
Councillor Janet Mobbs	Stockport
Councillor Mike Glover	Tameside
Councillor Kevin Procter	Trafford
Councillor Amy Whyte	Trafford
Councillor Fred Walker	Wigan

OFFICERS IN ATTENDANCE:

Eamonn Boylan	GMCA
Simon Warburton	TfGM
Steve Warrener	TfGM
Kate Brown	TfGM
Megan Black	TfGM
Michael Renshaw	TfGM
Steve Wilson	GMCA
Liz Treacy	GMCA
Julie Connor	GMCA
Joanne Heron	GMCA
Jamie Fallon	GMCA
Jenny Hollamby	GMCA

HPE 278/20 APOLOGIES

Apologies for absence were received from Councillors Paul Cropper (Bury), Linda Robinson (Rochdale), Sharmina August (Salford), and Liam Billington (Tameside).

HPE 279/20 CHAIRS ANNOUNCEMENTS AND URGENT BUSINESS

The Chair informed Members that the report Bus Reform: Bus, Back, Better had been added to the agenda as an urgent item to support the Committee's consideration of the GMCA Bus Reform proposal. It was acknowledged that the lateness of the item was due to the Department for Transport's Government Bus, Back, Better Strategy only being published on Monday 15 March 2021.

HPE 280/20 DECLARATIONS OF INTEREST

RESOLVED/-

No declarations of interest were received.

HPE 281/20 BUS REFORM: BUS BACK BETTER

HPE 281/20 BUS REFORM: CONSULTATION AND THE GMCA RESPONSE

Eamonn Boylan, Chief Executive, GMCA & TfGM, introduced both reports which sought the Committee's views on:

- The consultation conducted on the proposed Bus Franchising scheme in accordance with the Transport Act 2000 as amended by the Bus Services Act 2017 ('the Act') and the responses to it, along with the recommendations for member's consideration.
- The Department for Transport's National Bus Strategy for England, titled 'Bus Back Better', which was released on Monday 15 March 2021 (the NBS) and its implications for GMCA's bus reform process.

Members received a presentation which provided an overview of the reports, including the implications of the National Bus Strategy. The following key points were highlighted:

- The Committee's views and recommendations would be reported to an extraordinary meeting of GMCA on Tuesday 23 March 2021 which was due to consider whether to recommend the Proposed Franchising Scheme to the Mayor. Following this meeting, the Mayor would decide whether to make the Scheme (no earlier than 25 March 2021).
- Members were reminded that the Committee had considered the consultation methodology in June 2020, which subsequently received over 12.5k responses across a 20 - week period. The latest consultation focussed on a Proposed Franchising Scheme and potential impacts of Covid-19 on those proposals. When asked the question 'to what extent do you support or oppose the introduction of the proposed franchising scheme' or responded as part of an organised campaign: 86% were in support during the 1st consultation period, and 82% during the second consultation period. Significant concerns and challenge to the proposals had been received from several consultees, particularly incumbent bus operators.
- The Assessment of the Proposed Franchising Scheme in view of the Covid-19 Impact analysis was that this was the best option to deliver Greater Manchester's Vision for Bus. This remained the only option that could deliver full benefits of an integrated transport system, along with offering more scope for the introduction of additional measures over time that would improve bus services, and provided greater value for money.
- If approved the Scheme would be implemented in three tranches commencing from early 2023, (Tranche 1 largely Wigan and Bolton, Tranche 2 North East Bury to Oldham, Tranche 3 South of GM).
- Liz Treacy, GMCA Monitoring Officer, informed Members that two bus operators had submitted applications for judicial review and confirmed that the GMCA had reviewed and filed a response to the claims and were awaiting an update from the court on next steps.
- The GMCA Monitoring Officer relayed a statement to Members from operator Rotala which was received immediately prior to this meeting. The statement suggested that GMCA was not fulfilling a statutory requirement by proceeding to a decision without consulting on the proposal considering the publication of the National Strategy: Bus Back Better on Monday 15 March 2021.

- It was the view of officers that based on the extensive work, including the consultation and review, it was reasonable to proceed to a decision, given the conclusion that franchising was the best option to deliver Greater Manchester's Vision for Bus.

Members raised the following questions and comments:

- The Chair extended thanks to Officers for the comprehensive report but voiced his concerns regarding the length of time the Committee had available to consider the vast amount of complex information provided. He asked for clarification as to the urgency, given that the National Strategy was only published on Monday 15 March 2021.

Eamonn Boylan, advised that the work had been ongoing since 2017, and proceeding now was timely given that it would support GM's recovery from the pandemic, in particular, given that this was a period where the industry was receiving a substantial amount of Government subsidy. It was reiterated that the Assessment had concluded that the best outcomes for the public would be gained through franchising.

It was acknowledged that the Committee had received a vast amount of material but that a large amount of the information was re encapsulated material which had been previously shared with Members.

The view of officers was that in order to maximise the value for money and services provided to the public it was timely to move forward swiftly to a decision. Members were advised that the Government's Strategy was requesting that all Local Transport Authorities outline whether they would seek to adopt a partnership or franchising scheme.

- The Chair asked what the ongoing financial consequences were for each local authority, and what were the proposed future funding arrangements, and associated levels of risk.

Steve Warrener, Director of Finance and Transport Services, TfGM, advised that it was not anticipated that there would be a further funding ask of local authorities, other than the £17.8m one off contribution originally agreed. It was confirmed that GMCA approved the funding strategy in October 2019, covering the transition to a fully franchised bus network, including the acquisition of assets such as depots and ticketing systems, as well as an allowance to manage risks. The proposed funding arrangements were subsequently approved by GMCA in November 2020 totalling £134.5m.

It was envisioned that the Scheme would become financially self-sustaining through a funding mix of fare revenue, and existing funding sources. There was already funding currently provided by the GMCA for concessionary travel.

The Covid-19 Impact Report recognised that there was greater uncertainty over future bus patronage and related factors which could potentially reduce farebox revenues accruing compared to those forecast in the Assessment. As a result, the Covid-19 Report proposed locally controlled financial mitigations across network size, transition costs, concessionary reimbursement policy and further uncommitted local funding sources for the Proposed Franchising Scheme to remain affordable

- Councillor Martin Hayes, Bury Council, extended his thanks to officers for the comprehensive presentation, and expressed his full support for the franchising option, noting that GM needed a London style system which was fit for purpose. He also requested clarification as to whether Bury West would be included within Tranche 1 of the Scheme implementation.

Michael Renshaw, Executive Director, TfGM advised that the services coming into Bury from the West would feature in Tranche 1, noting that other services would continue to run commercially into the Town Centre during this period. Where appropriate, permission could be granted for services to enter a franchised area, to avoid creating barriers or problems to the remaining commercial network. It was noted that there would be full engagement with providers throughout the implementation period. The network was dynamic, and the implementation would not prevent commercial services being modified in the interim.

- Councillor Martin Hayes also asked if the judicial reviews had been heard and what the outcomes were.

Eamonn Boylan, confirmed that two claims for judicial review had been submitted to the Courts but neither had yet been granted permission. Liz Treacy, Monitoring Officer added that the claims were in the preliminary stages and it was not yet known whether permission would be granted or refused by the Courts.

- Councillor Charles Gibson, Stockport MBC, extended thanks to colleagues for the thorough summary and asked what impact, if any, the National Strategy had on GM's plans for bus lanes.

Eamonn Boylan, advised that the National Strategy had an emphasis on bus priority but didn't outline the implications of this in detailed practical terms. The appropriate levels of bus priority and active travel segregation on road spaces in GM had been agreed and there was no indication that this work would need to stop or be revised. The GMCA would continue to work in partnership with Government to fully understand the thinking as it emerged, and subsequently ensure that GM was compliant.

Simon Warburton TfGM added that the Strategy had provided a level of assurance which was helpful. It was confirmed that guidance on the Government's approach to the Intercity Transport Fund (announced in the Budget) was expected shortly and subsequently GMCA would need to consider what capital funding streams would be brought forward to support the priorities agreed within the 2040 Transport Strategy.

- Councillor Kevin Procter, Trafford Council, extended thanks to officers for the comprehensive summary and after considering the reports expressed his support for progressing to a decision on the proposed franchising Scheme at pace to ensure that the benefits could be maximised, considering the high levels of public support. It was acknowledged that the presentation outlined the significant impact of the pandemic on the market which would continue to have a financial impact. He also requested further information on how the GMCA would ensure that the needs of disabled users were central to the developments, given that currently services were not sensitive to their needs.

Eamonn Boylan confirmed that the fundamental aim of the process was to ensure that the integrated network was accessible to all, and this was a key consideration of the Assessment.

Kate Brown, Director of Corporate Affairs, TfGM, added that there was close engagement with the Disability Reference Group, along with Organisations such as Breakthrough, on what an inclusive transport system would look like. Members were advised that the GMCA and TfGM were bound by the Public Sector Equality Duty which did not exist within the current system.

- Councillor Mandie Shilton- Godwin, Manchester City Council, welcomed the update and following consideration of the suite of documents, expressed her strong support and endorsement of the recommendations. It was emphasised that the current system did not adequately service the needs of residents due to its high cost, frequent changes to services, and pollution impacts. It was hoped that the changes would begin to deliver for residents as a modern European city region should. She also requested further information on how the pricing of services would improve in the medium to longer term.

Eamonn Boylan, advised that in order to address the issues described, franchising was the logical next step, however, it was emphasised that this in itself was not a solution to addressing all the issues described. The need to work through the fundamental principles was at the heart of the proposal. It was noted that the National Strategy outlined a desire to introduce a capped fare system, but it was acknowledged that the London transport system was heavily subsidised which enabled users to access cheaper fares.

Michael Renshaw explained that the aim was to remove premium multi operator products with a view to bringing fares to the lowest level of the largest operator and enable users to benefit from access to the network across a range of operators, which currently passengers paid a premium for. It was noted that to reduce funds, increasing demand was critical. Subsequent investments would focus on implementing additional infrastructure and equipment, but it was emphasised that franchising would not fix all the issues highlighted but was the next logical step in the right direction.

- Councillor Shilton-Godwin said that along with disabled users, users with pushchairs struggled to access services. She asked if the way buses were currently designed and configured form part of the improvements.

Michael Renshaw acknowledged that the capacity available to service disabled users, and other users including those with pushchairs was limited, and this was identified within the National Bus Strategy. Members were advised that the industry had been wrestling with these issues for sometime without achieving a successful solution however, exploration would be undertaken as part of the 'what now' in particularly when considering fleet investment.

- Councillor Fred Walker, Wigan Council, welcomed the consultation and the extensive work undertaken, but used the phrase 'bogged down in treacle' to describe the challenges faced nationally when trying to make progress. Councillor Walker stated that he felt that it was appropriate for GM to move forward to a decision since GM was already receiving large Government subsidies due to the pandemic. In his view there was now a solution to cease the need for this.

Eamonn Boylan acknowledged that it had taken some time to develop a response given that GM was the first to take on this challenge, and there was no template to work to. The need to ensure the Assessment was meticulously undertaken and to revisit the work to consider the impacts of the pandemic was highlighted. Following the Assessment, it was felt that it was the

right time to move forward to a decision, and it was emphasised that GMCA was taking proactive steps to address the claims for judicial review.

- Councillor Jill Lovecy, Manchester City Council, welcomed the update and endorsed the proposal given that such a positive response had been received from the public. Councillor Lovecy felt that the work needed to progress at a pace now to improve the bus services for residents and hoped that the Government would deliver the promised levelling up across the country. The benefits of discussing complex topics such as this at public meetings was acknowledged given the extensive information was not always easily translatable to the public.
- The Chair referred to section 5 within the GMCA Bus Reform: Bus Back Better report on the enhanced partnership model and asked why this option was not considered as a viable option.

Eamonn Boylan, confirmed that the Assessment did consider several options including both a very ambitious partnership option and a less ambitious partnership option, along with proposals from operators. The Assessment concluded that the franchising model was more beneficial to GM.

Michael Renshaw explained that the 2017 Act included both franchising and enhanced partnership. An enhanced partnership was a statutory arrangement which required all operators within a geographical area to become active participants in it, however, following engagement with operators, they were explicit that this was not a form of partnership which they were willing to enter. As part of the Assessment the ambitious partnership was created for a basis of comparison to explore the upper limits of what was possible should there have been willingness from operators to adopt this type of arrangement. It was acknowledged that in due course operators would need to decide how they would respond to the National Bus Strategy which reflected the enhanced partnership approach outlined within the 2017 Act.

- The Chair confirmed that he could not support the proposal as he felt that the proposal demanded further scrutiny and perusal, however, he acknowledged that from the discussion today the majority of members of the Committee were in support of progressing with a franchising Scheme on the basis set out in the report. The Chair extended his thanks to Officers for the presentation and support at the meeting and confirmed that the detailed comments of the Committee would be submitted to the GMCA meeting for consideration on Tuesday 23 March 2021.

RESOLVED/-

1. That the report Bus Reform Bus Back Better be noted.
2. That the proposals set out in the report Bus Reform Consultation and the GMCA Response be supported and the detailed comments of the Committee above be submitted to the GMCA at its meeting on Tuesday 23 March 2021 when it considers the report.