

GREATER MANCHESTER TRANSPORT COMMITTEE

Date: Friday 17th February 2023
Subject: Bus Network Stabilisation Update
Report of: Stephen Rhodes, Director of Bus, TfGM

Purpose of Report

To inform Members of the approach which TfGM is taking to stabilise the network in the light of on-going uncertainty around Government recovery funding and in advance of franchising.

Recommendations:

Members are asked to:

1. Note the approach with TfGM has taken to stabilise the Greater Manchester bus network since October 2022 and in respect of commercial service registrations submitted by Diamond Bus and Vision Bus due to take effect 16th April 2023, as reported to the Bus Services Sub-Committee on 20th January 2023; and
2. Delegate authority to the Chief Executive GMCA and TfGM, in consultation with the GMTCC Chair, to agree replacement bus services to commence on 16th April 2023.

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Equalities Implications

An Equality Impact Assessment (EqIA) has been undertaken to identify potential implications of the proposed network changes being implemented by bus operators on various protected groups and the extent to which TfGM's proposed response will mitigate these. This EqIA identified a number of potential negative impacts on groups with protected characteristics should services need to be withdrawn or significantly reduced as a result of these proposals – including access to healthcare facilities for the disabled and elderly; access to education for young people; and a disproportionate impact on BAME and low-income households who are more reliant on bus services.

Given that TfGM is seeking to intervene and replace withdrawn services, the impact will be marginal in the short to medium term.

Climate Change Impact Assessment and Mitigation Measures

N/A

Risk Management

N/A

Legal Considerations

N/A

Financial Consequences – Revenue

No direct impact from the decision to delegate but estimated high-level costs are included at section 6.

Financial Consequences – Capital

N/A

Number of attachments to the report: 0

Comments/recommendations from Overview & Scrutiny Committee

N/A

Background Papers

Forthcoming Changes to the Bus Network report to the Greater Manchester Transport Committee, Bus Services Sub - Committee – 20 January 2023.

Bus Network Review, Greater Manchester Transport Committee – 12 August 2022.

Tracking/ Process

Does this report relate to a major strategic decision, as set out in the GMCA Constitution?

No

Exemption from call in

Are there any aspects in this report which means it should be considered to be exempt from call in by the relevant Scrutiny Committee on the grounds of urgency? No

GM Transport Committee

N/A

Overview and Scrutiny Committee

N/A

1. INTRODUCTION/BACKGROUND

- 1.1. This report provides an update on the approach TfGM has taken to stabilise the Greater Manchester bus network since October 2022 and seeks approval for authority to be delegated to the Chief Executive TfGM and GMCA, in consultation with the GMTCC Chair, to agree replacement bus services to commence on 16th April 2023.

2. OVERVIEW

- 2.1. As reported to the meeting of this Committee in August 2022, TfGM and bus operators have previously been through a network review exercise to identify a financially sustainable network that would be able to operate after the (at that time) expected end of COVID related recovery funding in October 2022.
- 2.2. This work resulted in a number of contracts being let to operators in October 2022 both to maintain services that were withdrawn having previously been commercially run, and to restore frequencies where a frequency reduction was proposed, up to a maximum of four buses per hour.
- 2.3. In parallel, the procurement exercise for services in Tranche 1 of the GM bus franchising scheme was being carried out, culminating in the announcement of the successful bidders on 23 December 2022.

3. IMPACT OF SERVICE WITHDRAWALS/REDUCTIONS

- 3.1. As previously reported to the Bus Sub-Committee, Diamond Bus and Vision Bus have advised TfGM of a number of changes planned for April 2023, with Diamond Bus North West registering the withdrawal of all commercial journeys on six routes, and frequency reductions on five other routes. In addition, Vision Bus have de-registered all remaining commercial journeys on one further service. All changes are due to take effect on 16th April 2023.
- 3.2. These are substantial changes which would have a significant impact on both the stability of the bus network and the communities they serve. This would undermine customer confidence in bus services at a critically important time in terms of the period leading up to franchising and the cost of living crisis, as well as undermining the revenue base that TfGM will inherit.

- 3.3. Details of the affected services were reported to the meeting of the GMTC Bus Services Sub-Committee (BSSC) on 20th January; and further information relating to the discussion that took place at BSSC is included in the Minutes of that meeting.

4. PROPOSED INTERVENTION BY TFGM

- 4.1. In response, TfGM is proposing to intervene in line with the same network stabilisation principles that were applied in Summer/Autumn 2022.
- 4.2. No action is being taken in respect of the frequency reductions, as even with the reductions, the services affected will still operate to the minimum (4 services per hour) frequencies set when the network stabilisation review was carried out.
- 4.3. Replacement services have been sought by the issue of tenders for the services that are to be withdrawn (including in one case where the replacement service would be restored at every 15 minutes rather the current 12 minute service, for consistency) for a 5 month period from 16th April 2023 to 23rd September 2023 to the start of Tranche 1. Bids were received on 8th February.
- 4.4. However, as the procurement process has only just been concluded and the next meeting of the BSSC is not due to take place until 10th March, a request is being made for authority to be delegated to the GMCA/TfGM Chief Executive, in consultation with the GMTC Chair, to approve the associated service changes on this occasion. This would enable the replacement services to be registered ahead of the deadline of 3rd March and allow operators to make the necessary preparations ahead of starting contracted operations on 16th April.

5. FINANCIAL IMPACT AND FUNDING AVAILABILITY

- 5.1. Following the procurement process, the estimated costs (taking account of revenue) for retaining the withdrawn services and frequencies as set out above is approximately £2.5m for the period 16 April to 23 September 2023. This is affordable within the budgets that were approved by the GMCA on 10th February 2023.

6. RISKS

- 6.1. Given the current uncertainty around future Government support beyond March 2023; continuing high levels of cost inflation and uncertainty around future passenger numbers; as well as driver recruitment and retention challenges, there is a risk that operators may decide to register further changes to the network. TfGM's ability to continue to intervene may, as a result of the factors set out above, become increasingly constrained by both budgetary and operational issues.

7. RECOMMENDATIONS

- 7.1 Recommendations are set out at the front of this report.

Stephen Rhodes

Director of Bus