



Buses in crisis

A report on bus funding
across England and Wales
2010 - 2015

Foreword



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Buses are looked on as a local issue – they rarely make national headlines. Yet they matter, to individuals and communities, and to the economy.

This isn't always appreciated by politicians. With the General Election approaching, we can expect to hear a lot about major national transport investment plans, yet what happens to buses will matter a lot more to many people in their everyday lives.

This report looks at what has been happening across England and Wales to supported bus services, (those funded by local authorities). With local authority funding being cut, support for bus services has been cut too. We have been monitoring the impacts of cuts to supported bus services for four years and this report gives us the clearest picture yet as to what is happening on the ground.

We have found that half of all local authorities in England have cut bus services in the last year, and since 2010 70 per cent have made cuts. These supported services may only represent 20 per cent of bus services, but they are often the ones people and communities need most, where no alternative transport exists. In some cases, communities that lost their rail services

in the 1960s are now seeing the replacement bus services going too. It is important to remember that behind all the statistics there are long term human impacts in taking away people's bus services. We regularly hear from people who have been effectively stranded following cuts to their bus service, unable to access jobs or public services, left in isolation with little contact with the outside world.

We know that central and local governments are facing financial problems. But the economic and social case for funding bus services is clear. This report suggests ways forward, some of which are being actively examined by the Government. The next government, whatever its colour, will need to review the current system and find new ways to fund buses. Otherwise, decline will continue, more communities will lose services and more people will find themselves isolated and without access to jobs and services. We will continue to monitor what is happening on the ground and make the case for long term investment and support for buses.

Executive summary

Buses are a vital public service. Two-thirds of public transport journeys are made by bus, making buses the most frequently used mode of public transport. They support local economies by getting people to work, schools, training, shops and public services.

But bus services in many areas are under threat. Cuts to local authority funding are translating into cuts in bus services supported by local authorities. This report gathers together a picture of these cuts across England and Wales. This is the fourth year that Campaign for Better Transport has conducted this research and this is the most thorough survey we have conducted, requesting data all the way back to 2010.

These supported bus services are services that are subsidised by local authorities because they are not provided by commercial bus companies. They often serve communities where no alternative transport exists, meaning that any cut or alteration can often have a huge impact on residents and local economies. They also provide services in evenings and at weekends when services would otherwise cease. These subsidised or supported services represent 19 per cent of bus provision in England; this is a fall of 3 per cent on last year¹. This percentage varies considerably across the country, ranging from just 5 per cent in some urban areas to almost 100 per cent in some rural areas. The Government's annual bus statistics show bus mileage on supported services falling by 59 million miles, whilst commercial services have only increased by 33 million miles to partially fill this gap².

This fall in bus mileage is reflected in our research. 50 per cent of local authorities have cut funding for bus services in the last year, by around £9m, and around 500 routes have been cut or altered, of which 222 have been withdrawn altogether. Since 2010, local authorities have cut £44m in funding and 2000 routes have been cut or withdrawn.

However, decline and cuts are not inevitable. The report includes a case study from Essex County Council showing that some councils are taking a

strategic approach and seeking to keep bus services on the road.

Our report recommends that a new approach is needed to support buses and public transport. We suggest three key areas for the next Government to focus on:

1. 'Total Transport': joint commissioning of local transport

This is about bringing together the commissioning of local transport services by different public bodies in the same area, creating more sustainable and integrated networks. We believe the Government should fund pilots of this approach; the next government can then learn from these pilots and roll this approach out to other areas.

2. 'Connectivity Fund': ring-fenced funding for bus services

This would bring together existing bus funding with a top-up from other Government departments into a ring fenced pot of funding for local government to support bus services. It is suggested that this could pay for itself by reducing the cost of other public services and by supporting economic growth.

3. Better concessionary travel schemes

The underfunding of the free travel scheme for older people and the disabled is one of the principal causes of cuts in bus services – indeed our analysis suggests that the underfunding in Wales is the principal reason for service cuts there. The Government should fully fund the scheme, recognising the social and economic benefits it brings. It should also look at other travel concessions for younger people, and should consider introducing a 'Bus Bonus' scheme giving tax breaks on the cost of a bus season ticket for those in work or apprenticeships.

These three approaches should be linked into a long-term vision and strategy for public transport. Without some of these reforms, and if nothing else changes, bus services will continue to be reduced or in some areas cease to exist entirely, leaving people isolated and unable to get to work or key facilities and services.

Key findings

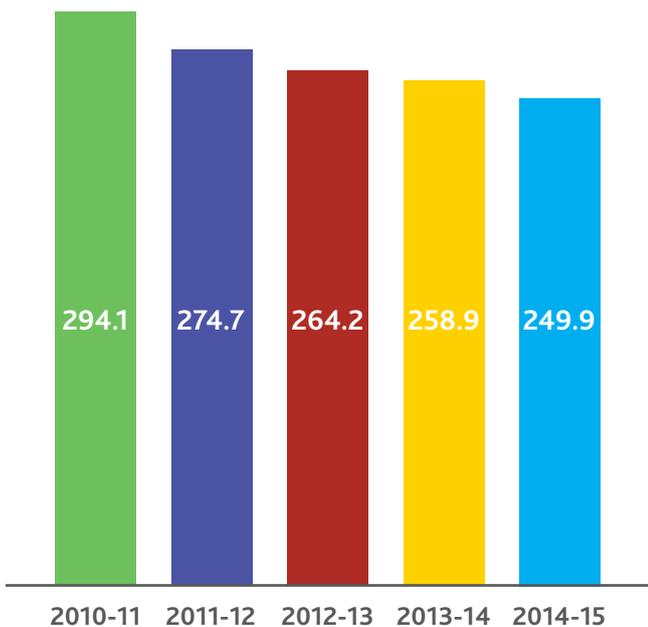
England

The key finding of our research is that in total £14.9 million has been cut from supported bus funding in England since last year (2013-14). With a £5.9 million increase in spending by some local authorities, a net reduction in funding of £9 million has been made to supported bus services in England.

Our research shows that this year 50 per cent of local authorities have cut funding for bus services, whilst 42 per cent have cut or withdrawn services. Since 2010, 70 per cent of local authorities have cut funding for bus services.

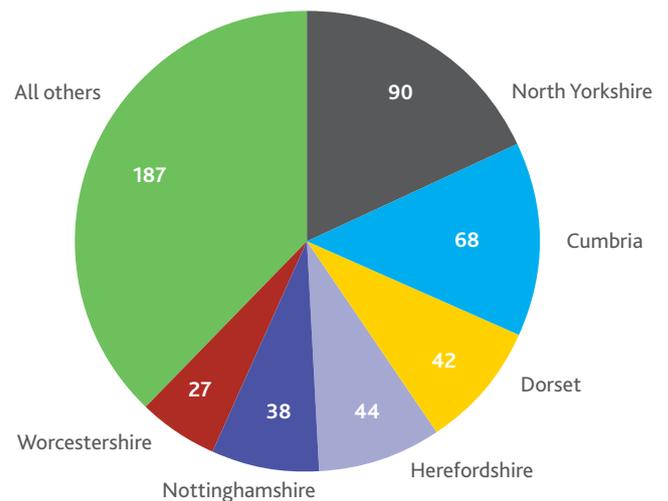
In total 496 bus services have been cut, altered or withdrawn in 2014-15. When broken down this means 274 bus services have been cut or altered whilst 222 bus services have been withdrawn altogether. Since 2010 over 2,000 bus services have been cut, altered or withdrawn entirely.

Total English spend on supported buses since 2010 (£m)



The data we received this year showed the total spend by local authorities on supported bus services for 2014-15 was £250 million, down from £259 million in 2013-14 and £294 million in 2010-11. This means that in 5 years £55.4 million has been cut from supported bus budgets across England - a net cut of £44.2m, or 15 per cent, once local authorities that have increased spending are counted.

Local authorities cutting the most bus services



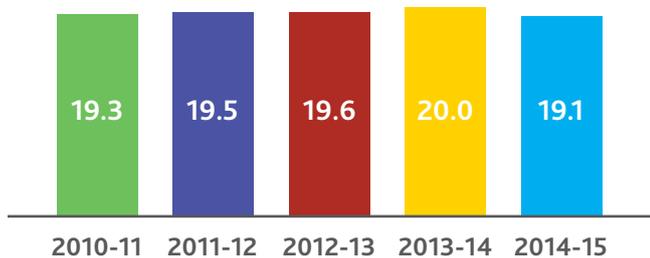
Wales

In Wales responsibility for bus services is devolved to the Welsh Assembly. The total Welsh budget for supported bus services in 2014-15 was £19.1 million and this is distributed to the 22 local authorities. £900k has been cut from spending since 2013-14 but since 2010-11 the budget has been relatively stable - there has been an overall reduction of just £169,815.

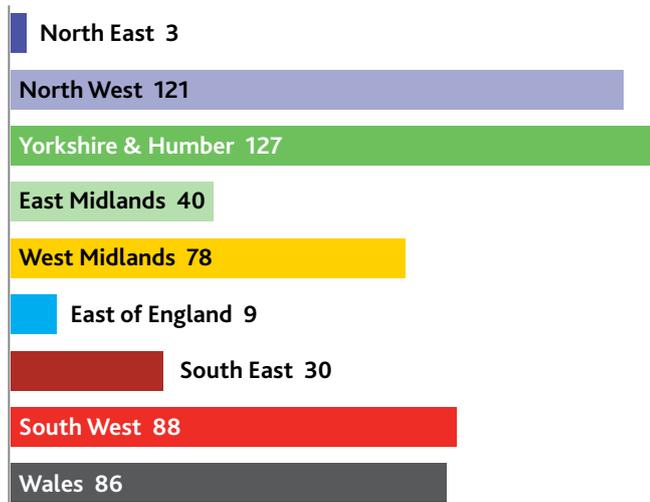
However, cuts in bus funding have taken place elsewhere, in the funding for the concessionary travel scheme for older people and the disabled. Here, the Welsh Assembly Government has cut £5.45m since 2013.

As a result, our research shows that in the last year there have been 86 service withdrawals or alterations, made up of 70 cuts or alterations to services and 16 services withdrawn altogether (note - at the time of publishing we were still waiting for data from one local authority). Since 2011, 179 bus services have been cut or withdrawn³. All but 6 Welsh Transport Authorities have cut funding since 2010 and 14 out of 22 have cut funding in the last year.

Total Welsh spend on supported buses since 2010 (£m)



Regions cutting bus services

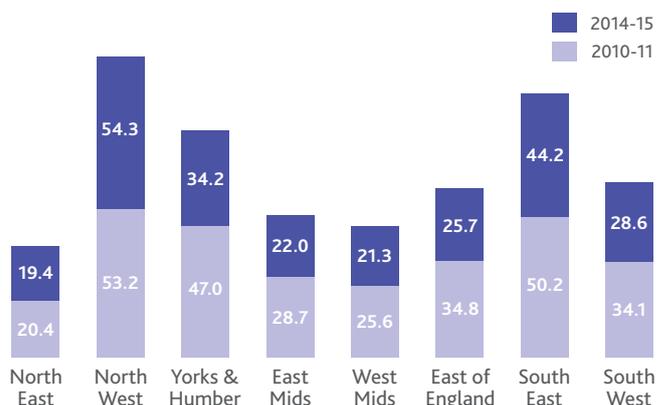


Spend per person 2010 to 2015



When comparing the budgets in the metropolitan areas covered by Passenger Transport Executives (PTEs) and non-PTE area budgets since 2010 there are some interesting results: since 2010 non-PTE areas have cut in total 16 per cent from their supported bus budgets whilst overall PTE areas have cut 5.6 per cent.

Spending by region 2010 vs 2015 (£m)



Methodology

The information about funding for supported buses and withdrawn routes has been collected by contacting all 82 local transport authorities in England as well as the 6 PTEs responsible for public transport within large urban areas. We also contacted all 22 single-tier authorities in Wales. Freedom of Information requests under the Freedom of Information Act 2000 were issued to all local authorities in England and Wales and all PTEs⁴.

The information requested this year went back to 2010-11 to ensure more comprehensive results than our previous bus funding studies. As a consequence of this method some data in this report is slightly different to previous reports but this can be attributed to local authorities providing actual spend rather than budgetary information.

Are buses in Crisis?

Public funding for buses has been cut in various ways. As part of the Coalition Government's spending Review in 2010 it was announced that government funding to local authorities for transport would be cut by 28 per cent; and that the Bus Service Operators' Grant (BSOG) – which provides direct support for all bus services – would be cut by 20 per cent from 2012-13. In addition, the Department for Transport (DfT) changed the formula for funding local authorities for the statutory free travel scheme for older people and those with disabilities, and there have been further changes by the Department of Communities and Local Government. The effect of the formula change has been a cut of around £60m for local authorities, while it has been estimated that reductions in DCLG grant results in effective underfunding of £200m in England⁵. This underfunding of the concessionary fares scheme means that less funding is available for supported services.

Many local authorities have had their grants and other income severely reduced over the past 5 years and it is sadly inevitable that non-statutory services like buses are often the first in line to be cut. However, the performance of local authorities in dealing with the cuts in funding has been a mixed picture. In some cases there have been cuts to services even though budgets for supported services have increased slightly, in other cases local authorities have managed to protect supported bus services despite a cut in budget.

It is important to remember that supported bus services make up on average 19 per cent⁶ of services in England outside London. However, many of the services that are financially supported by local authorities are often the most important, such as those serving isolated rural communities that have no other public transport options.

According to the Department for Transport's annual bus statistics⁷, there were 4.7 billion passenger journeys on buses in England in 2013-14, which is the highest figure since the mid-1980s. Passenger numbers in London, which have doubled over this period, increased 3 per cent in the latest year. Passenger numbers also grew outside London, by 1.5 per cent, the first such increase since 2008-09 which was the first year of free national bus travel for older people. However, the increase last year was largely due to an increase in fare paying passengers.

Passenger journeys on local buses in England increased 2 per cent in the year to March 2014. This is a welcome recovery, since they have been in steady decline over the past decade until now. Overall bus service mileage in England is estimated to have fallen 0.3 per cent in during 2013, continuing a gradual decline from 2008-09. Superficially this looks stable. However, within this overall figure, mileage on local authority supported



services outside London fell an estimated 7 per cent, while mileage on commercial services is estimated to have increased.

It is clear from these statistics that when supported bus services are cut, commercial operators are not always able or willing to step in and fill the gaps left, meaning a reduction in overall bus mileage due to cuts in supported bus funding. Increasing numbers of smaller commercial operators are being driven out of business due to cuts in central and local funding for buses. Pennine Motor Services is one such company; it was forced to cease trading after 88 years of

serving Yorkshire Dales communities. This company suffered greatly from the underfunding of the concessionary bus pass scheme mentioned above, and many other smaller bus operators are facing similar financial difficulties.

It is clear that the majority of local authority supported bus services are facing a crisis. Without new measures and with continued cuts to local authority budgets in prospect, this crisis is likely to spread. This will be a catastrophe for those people and communities who rely on these bus services.

The cuts in buses - the numbers

The following tables aim to provide a clear picture of spending on supported bus services across England and Wales in 2014-15 and 2010-15.

The table below shows the local authorities who have reported cuts in spending, with the percentage of the cuts levied in 2014-15.

Local Authority	Percentage Cut 2014-2015		
North East		South East	
Stockton-on-Tees	100%	Medway Council	30%
Durham County Council	1.5%	Bracknell Forest Borough Council	6%
Northumberland Council	5%	West Berkshire Council	1%
North West		Royal Borough of Windsor & Maidenhead	
Warrington Borough Council	22%	Wokingham	15%
Blackburn with Darwen	3%	Milton Keynes Council	13%
Cheshire West and Chester Council	5%	Portsmouth City Council	17%
Cumbria County Council	44%	Southampton City Council	55%
Greater Manchester ITA	15%	Buckinghamshire County Council	4%
Yorkshire and the Humber		East Sussex County Council	
Hull City Council	8%	Hampshire County Council	4%
East Riding of Yorkshire Council	10%	South West	
North Yorkshire County Council	25%	South Gloucestershire Council	9%
South Yorkshire ITA	8%	Bournemouth Borough Council	29%
West Yorkshire ITA	1.5%	Borough of Poole	8%
East Midlands		Wiltshire County Council	
Northamptonshire County Council	11%	Dorset County Council	24%
Leicestershire County Council	9%	Gloucestershire County Council	12%
Nottinghamshire County Council	11%	Somerset County Council	7%
West Midlands		Wales	
Herefordshire Council	39%	Blaenau Gwent	5%
Telford and Wrekin	1%	Bridgend	8%
Staffordshire County Council	6%	Cardiff	43%
Shropshire Council	14%	Ceredigion	19%
Worcestershire County Council	19%	Conwy	3%
East of England		Denbighshire	
Peterborough Council	51%	Isle of Anglesey	10%
Luton Council	100%	Neath Port Talbot	13%
Central Bedfordshire	6%	Pembrokeshire	13%
Hertfordshire County Council	3%	Wrexham	100%
Cambridgeshire County Council	13%		
Suffolk County Council	3%		

Supported Bus Budgets (£)					
	2010/11	2011/12	2012/13	2013/14	2014/15
North East	20,448,790	20,243,874	20,201,269	19,443,496	19,445,986
North West	53,175,690	54,598,022	57,587,719	58,304,709	54,348,365
Yorkshire & Humber	46,977,558	42,358,666	38,630,086	36,500,195	34,186,873
East Midlands	28,678,202	24,191,248	22,473,358	22,448,526	21,962,605
West Midlands	25,611,840	24,308,450	22,527,920	21,910,910	21,359,716
East of England	34,843,222	30,335,659	28,080,997	26,378,232	25,737,409
South East	50,212,646	47,826,479	45,562,333	44,793,066	44,169,116
South West	34,144,600	30,848,902	29,145,198	29,094,546	28,658,626

The above table shows the spending on supported bus services by region since 2010. The figures shown are slightly different from figures shown in our previous reports⁸. We think this is due to some local authorities providing figures showing actual spend rather than budgets as requested. Every region apart from the North West has seen a cut in spending over this time; the North West's performance is due to a significant increase in spending by Merseytravel Integrated Transport Authority since 2010, which has made up for cuts by other authorities in the region.

The total regional cuts to budgets in 2014-15 are shown in the following table with the exact amounts cut within each region. The North East actually increased funding overall in 2014-15 whilst the North West increased spending in 2013-14.

Regional Funding Cuts (£)	2013-14	2014-15
North East	757,773	+2,490
North West	+716,990	3,956,344
Yorkshire and the Humber	2,129,891	2,313,322
East Midlands	24,832	485,921
West Midlands	617,010	551,194
East of England	1,702,765	640,823
South East	769,267	623,950
South West	50,652	435,920
Wales	+424,914	901,666

The table below shows the total spend per person on supported bus services since 2010. By getting information on budgets and using information from the Office of National Statistics, we have worked out the total spend per person on supported bus services per year. In every region except the North West there have been significant cuts in spending.

Spend per person	2013-14	2014-15
North East	£7.88	£7.49
North West	£7.54	£7.70
Yorkshire and the Humber	£8.88	£6.46
East Midlands	£6.32	£4.84
West Midlands	£4.57	£3.81
East of England	£5.94	£4.39
South East	£5.80	£5.10
South West	£6.44	£5.49
Wales	£6.31	£6.25

The local authorities spending the least on supported bus services can be seen in the following table.

Local Transport Authority	Amount spent (£)
Hartlepool	0
Stockton-on-Tees	0
Darlington	0
Stoke-on-Trent	0
Luton	0
Southend-on-Sea	0
Wrexham	0
Middlesbrough Council	53,600
Torbay Council	106,000
Merthyr Tydfil	101,000

The percentage cuts to spending between 2010 and 2015 can be seen in the following table. Yorkshire and the Humber cut the most with a 27 per cent cut in spending, followed by the East of England and East Midlands.

Regional Cuts (%)	2010-15
North East	-4.90%
North West	2.21%
Yorkshire and the Humber	-27.23%
East Midlands	-23.42%
West Midlands	-16.60%
East of England	-26.13%
South East	-12.04%
South West	-16.07%
Wales	-0.88%

Why buses matter

Campaign for Better Transport's 2011 report, *Buses Matter*⁹ sets out clear evidence of the economic, social, and environmental benefits that buses bring. Cuts in services threaten these benefits. People in both urban and rural areas who are currently unemployed and seeking work depend heavily on the bus for access to employment. This is particularly the case for younger people, older people, those with no car available and those with lower skills.

Here we set out why buses matter and the impacts of cutting bus services on the very people that need them most.

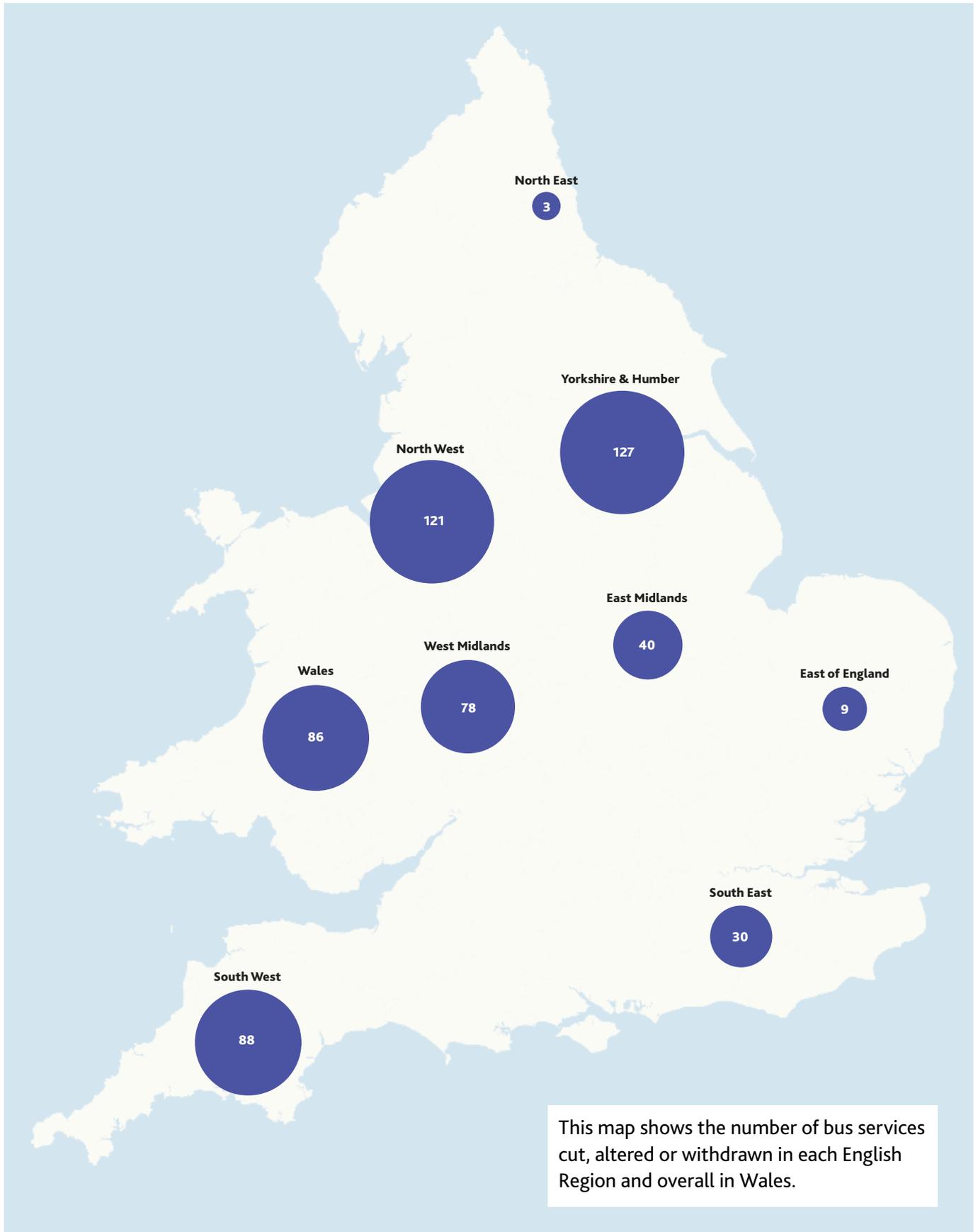
The human impacts of cutting bus services

Aside from the general benefits of bus services, a third of UK households have no access to a car and it is people in these households, often the most vulnerable groups in our society, that are most affected by cuts to supported bus services. Older people, young people, those in education or training, people on low incomes or job seekers and disabled people all suffer disproportionately and are more likely to experience transport isolation.

Young people and those in higher and further education

Young people need affordable bus services in order to give them a chance to take up opportunities in education and work, and to take the first steps to independence. Studies have shown that one in five students has considered dropping out of further education because of financial cost, and transport is the greatest cost of participation.

In its Manifesto 2015¹⁰ the Association of Colleges highlighted how transport legislation has not caught up with the fact that everyone is now required to participate in education and training until their 18th birthday. They suggest that the transport rights for 16 to 18-year-olds in education should mirror those which apply to school children so that all young people can choose the courses which best enable them to achieve their potential.



Richard Atkins, President of the Association of Colleges, has claimed that many young people are finding it harder to go into post-16 education because of high bus fares:

"Student transport is a huge issue. I hear of young people having to pay as much as £700 for a pass to get to college by their local bus company. If Government doesn't act on this, then we will increasingly see young people priced out of education."

Older People

There are approximately 9.7 million older and disabled people with concessionary bus passes in England. Concessionary travel has led to an overall increase in bus patronage since 2006 and older people have benefited from free bus travel in ever growing numbers. However, bus cuts could mean

that concessionary pass holders could end up with no buses to get on. Ending bus services cuts off older people from social activities, health services and shops and left in isolation; this can add to an already strained National Health Service.

There are repeated calls for the concessionary pass scheme to be scrapped or for the legislation to be changed. However, the pass has strong public support - the Love Your Bus Pass Campaign handed in a petition with over 140,000 signatures to Downing Street this year to show the level of support for concessionary travel. It also brings economic benefits - Greener Journeys recently published a report called *The Case for The Bus Pass*¹¹, which found that each £1 spent on concessionary bus travel generates at least £2.87 in benefits to bus pass users and to society as a whole.



Bus campaigners from Save Our Swaledale Bus

People on low incomes and jobseekers

People on low incomes are disproportionately affected by cuts to bus services. Poorer people are less likely to have a car. Some children from poor families are put at further disadvantage because their parents cannot afford bus fares to get them to colleges and services. Children from low income families are at risk of poverty if affordable transport is not available.

The Government has urged job seekers to look for work further afield – for example, the Work & Pensions Secretary suggested that jobseekers in the Welsh town of Merthyr should get on the bus to access jobs in Cardiff. However evidence from the Citizens Advice Bureau¹² shows that many people who want to work are unable to take jobs, or are forced onto benefits, because of insufficient and/or expensive bus provision.

In a study entitled 'Buses and the Economy II'¹³ the Institute of Transport Studies in Leeds found that people in urban areas who are currently unemployed and seeking work depend heavily on the bus for access to employment. This is particularly the case for younger people, women, those with no car available and those with lower skills. The report also found that local businesses rely on buses, which account for one third of retail or expenditure trips to city centres. This means that poor bus provision is a barrier for local economic growth. Redundancies in the bus industry, and the associated negative social and economic impacts, will also be felt in localities.

We have shown in research on the Government's Local Sustainable Transport Fund¹⁴ that targeted improvements in public transport can help the long-term unemployed back into work, and can give communities with high unemployment access to areas with employment opportunities. However, these targeted initiatives will be less successful if mainstream supported bus services are cut back at the same time.

People with disabilities

Findings from a poll commissioned by the former Disabled Persons Transport Advisory committee showed that disabled people are more dependent on buses than non-disabled people. Disabled people are more likely to mention transport as a local concern than non-disabled people (48 per cent compared with 39 per cent). 60 per cent of disabled people have no car in the household and they use buses around 20 per cent more frequently on average than non-disabled people. Cutting bus services can therefore mean cutting disabled people's only independent access to transport¹⁵.

People who live in rural and isolated communities

Rural communities suffer from buses that are infrequent, expensive, and in some areas non-existent, causing isolation and suffering for many. People who fall into one of the above groups who also live in the countryside are doubly disadvantaged.

The Transport Select Committee recently published a report looking into Passenger Transport in Isolated Communities¹⁶ which noted that any community risked isolation if it did not have passenger transport that fulfilled these four criteria: Available, Accessible, Affordable and Acceptable.

The Committee said that "the Department for Transport (DfT) must recognise that passenger transport provision is fundamental to achieving the objectives of the Department of Health, the Department for Work and Pensions and the Department for Education in isolated communities. The DfT needs to work with those Departments and other concerned agencies to secure targeted funding that provides passenger transport services for young people, people with low incomes and unemployed people who live in isolated rural and urban communities. To meet that target, the DfT will need to take a leadership role on behalf of isolated communities to facilitate cross-departmental and multi-agency working".

Case Study: Essex

Essex County Council has been working on a growth based strategy for buses contrary to what many other local authorities are doing around the country. Here Helen Morris, Head of Commissioning Infrastructure for Essex County Council, explains all.

Buses are extremely important to Essex. But Essex has never really fallen properly in love with the bus; nor have bus operators fallen properly in love with Essex. This strategy is an attempt to change that, and to maximise the fantastic benefits that buses can bring to Essex by working with a range of partners to deliver a set of ambitious, shared priorities.

Essex is challenging bus territory. We are twice the size of Greater London and have the longest coastline of any County. We have twin challenges: a significant rural population which is sufficiently large to merit a bus service, but not sufficiently large to make one easily commercially viable; and the dense areas of population we do have are spread widely, meaning our population is often travelling to many different locations, rather than into a single centre.

We also border London and so have a significant population that have enjoyed that bus experience and come with high expectations.

You need good reasons to try and make buses work well in Essex. And we do. We have significant congestion issues on many of our roads and in many of our communities and we can expect that to worsen as the economy grows – a good bus network can help manage that. We have set seven ambitious outcomes that aim to improve the lives of everyone who lives and works here – and buses contribute to each and every single one of those. And we have capacity for growth in the bus network. The current network is 'sort of OK', but 'sort of OK' is not what we want.

So how are we trying to fix this? The first part of the strategy reminds everyone of the benefits that buses bring – even if you never use one. The strength of the community and area in which we live, the health services we use, the taxes that pay for them and all our other public services, all of these are there because a large number of people get to work, to the shops and to places to enjoy themselves on the bus. The bus network is the biggest player in public





transport in this country by a long stretch. And it's a gloriously flexible and cost effective service when it's done well.

The second part of the strategy sets out what we will do to grow the bus network and bus use. Our successful introduction of Park and Ride has shown we can reach new customers with a high quality and reliable service. The strategy considers the bus network as a whole, linking the commercial and procured network, community transport and home to school together. It asks for resources and ambition from each party in the partnership, but doesn't expect anyone to deliver alone. There are eight areas of strategic action, ranging from delivering better information to improving the way we procure to

taking a fresh look at the network. Discussions have elicited a range of views. A lot of people are very passionate about their local buses, but fed up with a service they feel has been declining. A lot of people love the ambition, but worry it isn't deliverable. But the vast majority have understood what we are trying to achieve and want to give it a good shot.

The final part of the strategy asks a series of questions. We're keen to reach a wide range of people, including those who don't currently use the bus. We really value our current passengers, but they'll get a better network too if it grows and becomes more robust - and we'll deliver a better quality of life for people who live and work here.

Conclusion

The context of our fourth report on support for bus services is again one of continued decline in funding for supported bus services. There is the very real prospect of even worse to come next year, with many areas, urban as well as rural, consulting on drastic cuts in funding and services. For example, Derbyshire County Council is currently proposing to cut over £2.5m from its supported bus funding, which may include bus routes through the Transport Secretary's constituency, while Hampshire County Council is planning £1.5m of cuts, mostly in evening and weekend services.

The Government has pledged £30bn for new trunk and local roads in the next Parliament, so it is clear that there is money available for transport, but the political will to provide sufficient funding for buses is still lacking – as already noted, bus services are treated as a purely local issue, ignoring the national consequences of a decline in funding and services. Whoever wins the next election has a clear choice: continue with the policy of decline and cuts to buses, with all the hardship this would bring, or focus on a growth based strategy that would ensure that buses are kept on the roads, serving more communities.

As we said in last year's report, a new approach is needed to support buses and local public transport. Campaign for Better Transport has been developing ideas for this new approach, in discussion with many people in and around the bus industry, including operators, local authorities, passenger groups, researchers and others. We suggest three key areas for the next Government to focus on to ensure buses get the funding and attention they need and deserve.

Recommendations

'Total Transport': joint commissioning of local transport

'Total Transport' is about different public bodies pooling the commissioning of transport services. The idea was developed in a 2011 report from pteg¹⁷, and follows practice in other countries. It is a simple proposal - as we said in last year's report, in many areas there are bespoke transport services commissioned by different public bodies – for example inter-hospital link services, social services transport to take older people to day centres, transport for taking staff to and from prisons, and transport for children with special needs to and between schools. Universities and colleges also commission or run services. Such separate commissioning wastes significant funding, and also management time within these services – it also abstracts funding and passengers from mainstream



bus services. One county has estimated that the total public funding for transport services in its area is around £60m; another has estimated that £2.4m is spent in part of one district council area, of which just £400,000 is accounted for by traditional supported bus services.

Some local authorities have already made moves to bring commissioning together but have been hampered by bureaucratic silos and a lack of central Government support. Following the Transport Select Committee's inquiry into transport in isolated communities (see above), we believe the Government should now invite bids from local authorities to run pilots of total transport joint commissioning. This would then allow the next Government to learn the lessons from these pilots and roll out this approach to other areas. In particular, the Government must ensure that every government department and agency is incentivised to work with others to bring transport services together.

Connectivity Fund: ring-fenced funding for bus services

A report¹⁸ from the transport body pteg has proposed the creation of a 'Connectivity Fund' for bus services, and we fully support this. This Connectivity Fund should be established by bringing together the existing BSOG fund (around £230m in 2014-15) with additional 'top slicing' from 11 other Government Departments that benefit from having good bus networks, including the Department for Work and Pensions, the Department of Health, Department for Environment Food and Rural Affairs and Department for Education, into a ring-fenced pot for local government to support bus services.

In order to put funding levels on a sustainable long-term footing, and to stem the circle of decline in supported local bus networks, the Connectivity Fund should aim to provide £500m in bus funding.





Lewes 'Stop the Cuts' protest, November 2014

According to pteg the Connectivity Fund will contribute to key national objectives:

- **Flexible and productive labour markets** by enhancing accessibility to key employment, education and population centres, including to new development areas
- **Economic growth** by enabling and promoting growth in the most productive employment centres outside London by reducing congestion and linking more workers to jobs
- **Full employment** by encouraging and enabling more people into work while making work pay: affordability and availability of bus services is especially vital for low paid workers
- **Tackle the cost of living crisis** by ensuring that transport remains affordable and cheaper housing is increasingly accessible

- **Improve health and well-being** by encouraging active travel and greater social interaction, especially amongst children, young people and the elderly
- **Cutting carbon and improving air quality** by promoting modal shift and cutting congestion

The Connectivity Fund will in turn pay for itself by reducing the cost of other public services and by supporting economic growth. It could also improve the financial sustainability of bus networks themselves, for example by investing in removing bottlenecks on the road network and therefore allowing buses to operate at higher speeds, more reliably, and thereby covering more mileage with the same resources.

Better concessionary travel schemes

As we have seen, a huge part of the problem facing the bus industry is that the concessionary pass scheme for older and disabled people is underfunded by the UK Government in England, and by the Welsh Assembly Government in Wales – indeed our analysis suggests that the underfunding in Wales is the principal reason for service cuts there. We recommend that the governments should fully fund the scheme, recognising the social and economic benefits it brings for reducing social isolation and contributing to local and national economies.

At the same time, the next government should look at other travel concessions. First, it should look at ways of standardising and enhancing concessionary travel schemes for younger people, especially those in education, on apprenticeships or out of work. Our research¹⁹ has shown that there is a strong case for a concessionary travel scheme for young people, and as the Association of Colleges has said, there is a need for transport legislation to catch up with the raising of the school leaving age to 18. Government must ensure that Local Authorities are able to fully reimburse operators whilst allowing them to protect or even expand concessionary travel rather than cut non-statutory obligations as has been seen in South Yorkshire.

There is also a case for giving tax breaks on the cost of a bus season ticket for those in work or apprenticeships²⁰. This 'Bus Bonus' scheme would cut the cost of bus travel and so would help enlarge access to labour markets for those without cars.

Next steps

These three approaches - Total Transport, the Connectivity Fund and new and better funded concessionary travel - should be linked together into a long term vision and strategy for public transport. Following the General Election, the new government should conduct a review of bus funding and bus policies to ensure our most commonly used mode of public transport achieves a similar level of growth to that we have seen on our railways, and secures services for the many people who rely upon them every day.

This report has found that with the current funding structure cuts in local authority supported bus services are gathering pace. If nothing changes, these services will continue to be reduced or cease to exist entirely, leaving thousands of people isolated and unable to get to the key facilities and services they need. These are often the most vulnerable in our society.

Buses are not as politically 'sexy' or attractive as big transport infrastructure projects, but they are just as important to the local and national economy, society and of course the environment. Our political leaders should recognise the importance of buses and maybe listen to former Mayor of Bogotá Enrique Peñalosa when he stated: "An advanced country is not one where even the poor use cars, but rather one where even the rich use public transport".

*Research and editorial team: David Christie and Martin Abrams for Campaign for Better Transport
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Campaign for Better Transport's vision is a country where communities have affordable transport that improves quality of life and protects the environment. Achieving our vision requires substantial changes to UK transport policy which we aim to achieve by providing well-researched, practical solutions that gain support from both decision-makers and the public.

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