

Report to the Executive Committee

Date of Meeting: 18 October 2023

Subject of Report: Bus Service Improvement Plan – Update

Town or Parish: All

Officer/Member Presenting: Councillor Hannah Young, Executive Member for Transport and Highways

Key Decision: YES

Reason: The BSIP project will result in the Local Authority incurring expenditure or making savings of £500,000 or over and be significant in terms of its effects on communities living or working in an area comprising two or more wards in the area of the Local Authority.

Recommendations

This report asks the Executive Committee to approve the following recommendations:

1. Approve the communications and engagement approach for the BSIP capital programme, as outlined in section 4.
2. Approve the WEST Brand to replace the existing 'TravelWest' sub-regional transport branding, effective immediately.
3. Approve the delegation of decisions about adjustments to BSIP grant allocation against work packages to the Executive Member for Highways and Transport and s151 officer. This is due to the tight delivery timescales required within the BSIP and members should note that allocations will be guided by a set of recommendations resulting from the recent BSIP prioritisation study undertaken 12 months into the BSIP Revenue programme. All allocations will be within the existing grant envelope.

4. Approve that officers submit an Expression of Interest by 20 October for the Zero Emission Bus Regional Areas (ZEBRA) scheme and a bid for this funding by 15 December. Delegates future decisions relating to bidding and award to the Executive Member for Highways and Transport (with advice from Director of Place, and S151 officer) including to submit an EOI and bid for up to £10m financial value. Officers will subsequently seek approvals to increase the BSIP programme and any relevant council budgets by up to that amount if the bidding is successful.
5. Agrees to delegate to the Executive Member for Highways and Transport (with advice from Director of Place and Monitoring Officer) any updates to the BSIP MOU between WECA and NSC (which was agreed at Executive on 18th February 2023) to set out roles and responsibilities to reflect the management of the Enhanced Partnership for the West of England area.

1. Summary of Report

- 1.1. North Somerset Council's Bus Service Improvement Plan (BSIP) is a forward thinking and innovative public transport investment programme which is being delivered in partnership with the West of England Combined Authority and bus service operators through an 'Enhanced Partnership' model. North Somerset have a **capital allocation of £48m** that is being invested in infrastructure to improve the efficiency of bus services. The West of England Combined Authority (WECA) and North Somerset Council have a **joint revenue allocation of £57m** which is invested in service initiatives that improve bus services and the passenger experience across the region.
- 1.2. Delivery of the BSIP grant-funded work has progressed at pace over the past 12 months, and has included revenue investment in fares packages, demand responsive transport (DRT) in the WESTlink service, enhancements to existing bus services, and completion of the first 2 capital funded schemes in North Somerset. Details of the remaining 16 schemes are included in Section 4.

Capital Infrastructure Consultation Plans (recommendation 1)

- 1.3. The aims of the £48m grant award for transport and highway infrastructure is to increase reliability of journey-times for buses along key routes (decreasing average journey-times overall) and therefore to allow bus operators to reduce costs and increase frequency of bus services. These changes, accompanied by improved bus interchanges and stops, are needed in order to grow passenger confidence and patronage levels and make services commercially sustainable to run by the end of the project funding period. This is vital to ensure services are able to continue running, serving and connecting our communities.
- 1.4. This will be delivered through the following proposed measures, agreed as the basis for the grant funding award:

- Bus traffic signal priority and enforcement along all the key bus routes or at delay hotspots including 17 further key bus priority schemes. The first seven of these schemes are being delivered in 2023/24 financial year and the remaining schemes are being consulted upon during the same period.
 - Investment in around 150 new modern bus shelters and stop improvements plus delivery of three new interchanges in our key towns, an improved interchange in Worle, and several smaller hubs elsewhere.
 - A series of other improvements aimed at helping people to access public transport.
- 1.5. The measures to deliver the BSIP have been brought previously to Full Council and Executive Committee and delivery is embedded in the BSIP grant acceptance signed by North Somerset Council. The schemes (listed in section 4) will result in changes to the highway network and local infrastructure. It is important that local stakeholders and communities understand the proposed changes and are able to influence their development at appropriate times. This report seeks the approval of the strategic communications and engagement approach as set out in the Details section of the report from paragraph 4.43 to ensure that public engagement is a priority.

West of England Transport Brand (recommendation 2)

- 1.6. As set out in the BSIP strategy and grant application, officers have been taking forward work on an updated brand identity for multi-modal transport across the West of England area. A 'Transport Brand Update' document sets out the proposed approach to a joint transport brand across the West of England and North Somerset area, which is currently using the 10-year-old 'TravelWest' branding.
- 1.7. This workstream is focussed on simplifying the passenger experience, make it easier to navigate the network and increase usage of public transport, micro-mobility and active modes.
- 1.8. The document sets out the vision for a single transport brand under the new name 'WEST', the benefits of a coordinated brand, the branding works to date, examples of how 'WEST' will be used in practice, the scope of new branding application, budget and next steps. Executive are asked to review this appended document and approve the new 'WEST' brand on behalf of North Somerset Council.

BSIP Prioritisation Study (recommendation 3)

- 1.9. BSIP revenue delivery has been underway for 12 months and at this milestone a Prioritisation Study has been undertaken, in partnership with consultants KPMG. The KPMG report was triggered by the amended guidance given by DfT to BSIP authorities around spending on supported bus services earlier this year. This committee report sets out the findings of

the KPMG study and recommendations in the Details section of the report from paragraph 4.9 and in Appendix 2.

- 1.10. The KPMG study includes an assessment of the relative value for money of the five key revenue-funded initiatives already implemented. Given the urgency of the review activity now triggered, timescales for tendering of services and BSIP grant timescales (to March 2025) this report asks committee to delegate decisions related to the existing BSIP grant allocation where adjustments in the value of work packages is between £3.9m-7.15m to the Executive Member for Highways and Transport and S151 Officer where these would otherwise be made by Executive Committee.

Delegations were previously approved for BSIP decisions that relate to Annex 4 and the Enhanced Partnership. The DfT PAR (Project Adjustment Request) processes, which are founded on VfM assessment, will also need to be completed. If required officers would be able to report changes retrospectively to Executive Committee via regular finance reporting or in BSIP update reports.

ZEBRA funding (recommendation 4).

- 1.11. ZEBRA is the Zero Emission Bus Regional Areas (ZEBRA) scheme. A funding round was launched on Friday 8 September 2023. Sections 4.32-4.38 of the report sets out the requirements of the bidding process, the timescales and our approach.
- 1.12. The funding available through ZEBRA bidding is integral to the BSIP and needs to be delivered as a core part of the BSIP programme. Objective 4 of the adopted BSIP commits to delivery of high vehicle standards and “progress to zero emission buses through bids for Government funding when available”.
- 1.13. Actions to deliver a zero-emission bus fleet formed part of the Council’s original bid submission for BSIP grant, however this section of the bid was not awarded by DfT, with the requirement that authorities instead apply for funding separately under the ZEBRA grant system.
- 1.14. It is likely to be delivered through operators in partnership with the council but is currently unclear exactly who will hold the funding.
- 1.15. Given the urgency and importance of this bidding opportunity and the scale of the work, officers will secure expert advice to support the formulation of the bidding documents and evidence to maximise opportunities and consider appropriate business plans, with funding for this support to be applied from BSIP allocations.
- 1.16. This report seeks approval for officers to submit an Expression of Interest by 20 October for the Zero Emission Bus Regional Areas (ZEBRA) scheme and a bid for this funding by 15 December for up to £10m financial value. The report also recommends delegation of bidding to the Executive Member for Highways and Transport and relevant officers.
- 1.17. Further approvals will be required and sought if successful, including to increase the capital programme.

Enhanced Partnership (EP) Management (recommendation 5).

- 1.18. The governance and management arrangements for BSIP are under regular review in order to maximise efficiency and best value.
- 1.19. The MOU between WECA and NSC will require updating in line with BSIP governance. The original MOU was approved by Executive Committee on 18 February 2023. This report seeks approval for decisions about further amendments to be delegated to the Executive Member for Highways and Transport and relevant officers.
- 1.20. As part of the permanent arrangements for the EP management it is proposed that EP Management roles for the West of England area (covering both WECA and NSC transport authorities' areas) be created alongside supporting administration and monitoring/evaluation capacity. This will enable our statutory duties under the EP to be delivered.
- 1.21. North Somerset Council proposes to vest the statutory responsibility of EP Manager in the existing permanent revenue funded role of Public Transport Team Manager. This existing post is evaluated as grade 12 and the duties of the EP Manager are believed to be consistent with the job evaluation of this role at this level. As this role is part of the current establishment, there are no future financial impacts for NSC.
- 1.22. The EP business as usual structure and resourcing is required from February 2024 when the BSIP project provisions transition to business-as-usual resourcing. As the EP is permanent but the BSIP grant is not, it is advised that additional resources for administration and monitoring will be required after the BSIP grant funding ceases. Any costs and liabilities related to this will be managed as part of the BSIP exit strategy and will represent future growth bids to the Council to be considered via the council's normal financial planning processes. Any unavoidable funding growth will need to be met from matching savings proposals or increased budgets. A BSIP exit strategy will consider the following:
 - Income and regulations around appropriate use and investment of income
 - Staffing requirements to meet the new permanent statutory responsibilities of the Enhanced Partnership including network management, information strategy, passenger experience, monitoring and reporting, Infrastructure investment and maintenance e.g. for shelters/stops.
 - Future bidding
 - Bus services investment strategy (considering VfM, social value assessments and trajectory to commerciality)
 - Resourcing of the initiatives we are signed up to in national and local policy and the EP
 - Other Government funding such as Bus Service Operators Grant (BSOG) and COVID-19 bus service support grant (CBSSG)
 - Use of S106 or CIL
 - Our strategic future relationship with the Combined Authority

2. Background

- 2.1. The Bus Service Improvement Plan in North Somerset is undertaking to make public transport a genuinely reliable, cost-effective, convenient, viable alternative. The programme prioritises infrastructure improvements and service investment over 2.5 years. It includes new bus shelters, bus interchanges for Clevedon, Nailsea and Portishead, an improved passenger experience, more environmentally friendly vehicles, improved fares and ticketing, a coordinated branding and information approach across the West of England and North Somerset area, shorter journey times, more reliable services and measures to help people access public transport at the beginning and end of their journeys.
- 2.2. The BSIP funding grant was confirmed by letter from the Department for Transport (DfT) on 24 November 2022 and for this financial year on 29 August 2023. This confirmed the allocation in full of a) capital funding award of £47,983,000 allocated to North Somerset Council, and b) revenue funding award of £57,505,498 allocated jointly to the West of England Combined Authority (WECA) and North Somerset Council (NSC). The jointly signed Memorandum of Understanding for public transport between WECA and NSC sets out our approach to joint working and governance of the resources and programme. We have supplemented this with a Communications Protocol.

BSIP – The case for change

District-wide ‘save minutes to save buses’

- 2.3. We need to make our bus services more reliable and reduce the amount of time it takes to operate them. The fundamental aim is that at the end of the short term BSIP grant funding the commercial services are self-sustaining without ongoing subsidies from the Council and that we can retain the bus service frequencies and routes that our communities want and need.
- 2.4. A significant change in the cost of operating buses occurs if we can reach a point where a bus and driver can be removed from the operational cycle whilst retaining the same frequency of bus services.
- 2.5. To do this we need to build the BSIP bus priority infrastructure schemes. Small time savings in each location add up to very significant impacts on the long-term bus service operating costs along whole corridors (which is how buses are planned).
- 2.6. Reliability of bus services is the most important thing for our communities. Our BSIP target is 95% by 2027, whilst performance is currently at 80% - bus priority schemes will support us to do better. Incremental changes to our network are an important way for us to deliver this improvement.
- 2.7. The other side of the coin is that we need to build patronage – to get more people riding buses more often. This income is the other part of the equation that makes the buses commercially sustainable without scarce revenue top-up funding being needed from the Council.

- 2.8. The council are contracting service enhancements totalling £5.2m from the BSIP revenue funding:

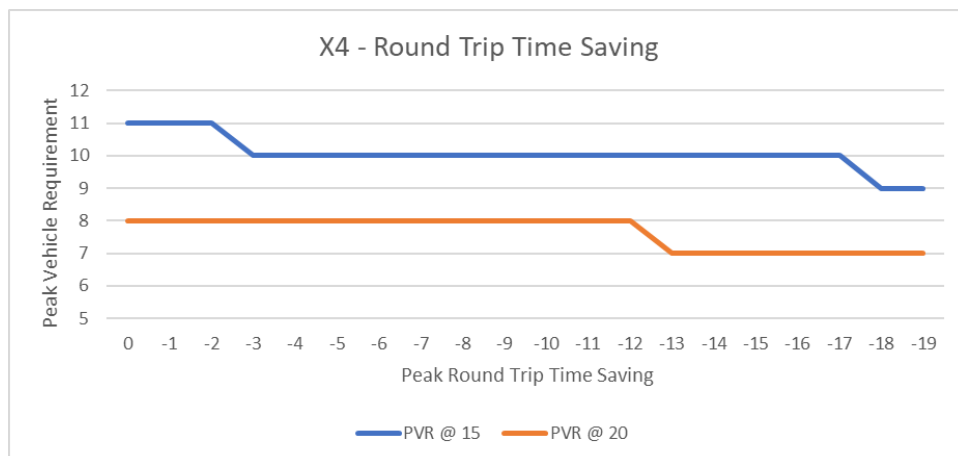
Service	Year 1	Year 2	BSIP Total
X1	854.7	791.4	1,646.10
X4	607.2	423.4	1,030.60
X5	434	382.9	817
X6/X7	377.8	234.9	612.7
X8	265.2	189.6	454.8
Weston Town	435.8	227.2	663
All	2,974.70	2,249.40	5,224.20

- 2.9. Without making these changes to our highways and our behaviours, we stand to lose the improved services we have now as we are unable to fund services at this level after the BSIP grant ends.
- 2.10. The other issue is that if we don't create sustainable commercial services that can stand on their own two feet, then the Council will have to make hard choices about whether it spends its money on supporting the main corridor commercially operated services (to increase their hours of operation or frequencies), or if it puts its money into the non-commercial 'supported services' which are run for social reasons to connect communities in places that are not commercially viable (including DRT).
- 2.11. At the moment, BSIP is funding socially necessary 'supported services' in NSC totalling £170k (these differ from the commercially operated service enhancements above). Failing to deliver the infrastructure improvements and associated efficiencies risks loss of both commercial uplifts and supported services. With the improved commercial and supported services across the district we have seen strong patronage growth. Network-wide since April 2023 we have seen 19% growth, but in the inter-urban corridors we have seen a 24% increase. Patronage is being boosted by the package of more frequent and reliable services and lower fares. This proves that people need and want to use local bus services in our district. To lock this in we need to complete the journey time and reliability improvements.
- 2.12. As well as patronage growth and bus priority schemes there are other factors that can affect journey times. These include boarding and unloading times, parking, how easy it is for buses to get into/out of bus stops, the capacity of buses and how this relates to demand at different times of the day. The BSIP programme includes action on all of these issues but none of them make the level of difference that patronage growth and journey time savings can achieve on a corridor.
- 2.13. Keeping traffic moving is vital as more bus passengers means fewer cars on the road, which is vital for those that have no other choice for their journey. In the new Local Plan, the council is not planning to deliver lots of major new highway improvements like those seen in the past. The emphasis is on infrastructure that aligns with our commitment to reduce carbon and this means car use reducing by 40%. If we fail to achieve mode shift onto bus and other options, the effect will be increasing traffic on a network with fewer options and limited space. The choices we make

- around investing in bus services beyond BSIP will directly affect traffic and congestion on the network in the longer term.
- 2.14. We are currently enhancing and supporting bus services totalling £5.2m over 2 years and we need to take advantage of this once-in-a lifetime opportunity to create a sustainable bus network by April 2025. The Council cannot find this money going forward, so we stand to lose bus services if we don't deliver the infrastructure improvements that create faster more reliable bus services.
- 2.15. The paragraphs below discuss the key services on the three main corridors that BSIP infrastructure changes are focussed on.

Portishead to Bristol corridor.

- 2.16. The X4 service operates between Portishead and Bristol every 20 minutes.
- 2.17. X4 with a 20 min frequency: At this 20 min frequency, information from the operator shows that a 13 min round trip time saving through bus priority (i.e. average 6.5 minutes in each direction) would allow the same frequency to be delivered with one less vehicle (reducing from 8 to 7 vehicles). There are incremental savings in running costs for each minute saved but when removing a vehicle there is very significant change in cost of providing the service.

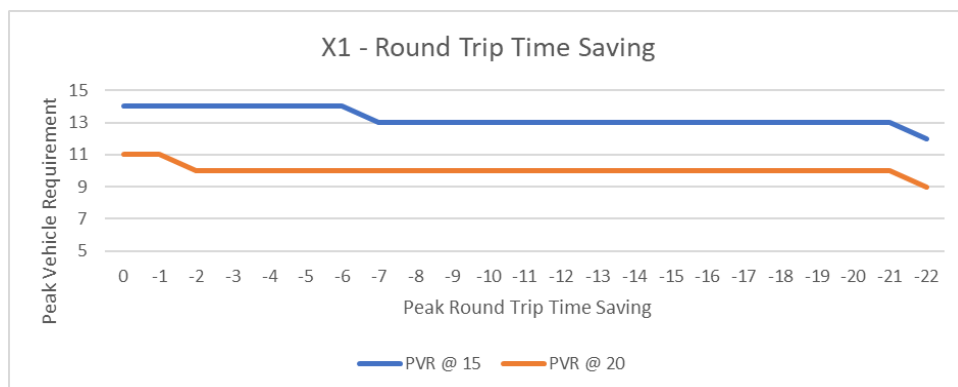


- 2.18. The 20 min frequency is only possible through BSIP revenue funding support of £887k and this means in April 2025 an increase in revenue costs and a reduction in operating costs needs to be delivered for the service to continue at the same frequency otherwise it is likely the service will revert back to the previous 30 minute frequency.
- 2.19. Alternatively, to retain a 20 minute frequency the Council would have to continue providing funding for the service in the range of £80-380k, which it does not have.
- 2.20. Our updated estimates across this corridor is an 8 minute time saving, but only if we deliver all schemes along the route. The schemes around J19 and on Rownham Hill/ Abbots Leigh Road are the most important to create this time saving.
- 2.21. Bristol's schemes through Cumberland Basin and along Hotwell Road are expected to deliver a further 5 mins of time saving. Adding the Bristol and

- North Somerset route time savings together results in a 13 min saving and means it should be possible to save a vehicle.
- 2.22. Very small reductions in the anticipated benefits along the corridor would compromise the ability to save a vehicle reducing significantly the level of operational cost saving at the end of the BSIP grant and therefore the future level of service for our communities or an unsustainable cost to the Council.
- 2.23. X4 with a 15 min frequency: Patronage growth has been strong, vehicles are often full at peak times indicating that there is a need to add further capacity to meet demands. Due to this patronage growth, a further improvement in frequency to 15 minute is being considered for April 2024. We want to ensure that our communities that have started using the bus can continue to do so after BSIP.
- 2.24. The analysis shows that we only need to deliver an additional 3 minute time round trip saving (i.e. average 1.5 minutes in each direction) for this to be delivered with 2 additional buses rather than 3 additional buses.
- 2.25. Beyond this an 18 min journey time saving would be required to save a further bus, which even with the expected savings in Bristol looks unlikely with the current proposals. It could be that other proposals could be bought forward which might achieve the additional saving required.
- 2.26. However, the aim is that the patronage growth and some operational cost savings is sufficient secure the service moving forward. If we increase the frequency to every 25 minutes then the cost to retain this would be £140k after the BSIP grant ends.

WSM to Bristol (A370).

- 2.27. A similar picture exists for the X1 service between WsM and Bristol. This is currently operating at a 15 min frequency; however this is only possible due to BSIP financial support totalling around c. £725k per year. To secure the service commercially it will need a mixture of patronage growth and cost reduction.



- 2.28. A small journey time improvement can provide modest benefits, however if 7 minutes can be saved from the round-trip journey time – this enables us to keep a 15 min frequency with one less bus.
- 2.29. If 22 minutes could be saved from the round trip journey time a second bus would be saved.

- 2.30. Currently the schemes proposed in North Somerset are expected to deliver a 15-minute saving with the Bristol sections delivering a further 5 mins (the same schemes benefiting the X4 in Bristol also benefit the X1). This delivers a 20-minute journey time saving in total, or just short of the saving required to remove two vehicles.
- 2.31. Patronage growth of 31.6% year-on-year has already been delivered in 2023 through this more attractive service and frequency, with buses often full. If both the patronage growth and cost saving are not delivered then the cost to the Council to maintain the 15 min frequency is £740k when the BSIP grant ends in 2025.
- 2.32. The alternative would be to drop the frequency to 20 mins then that would be made possible using fewer vehicles than was historically the case - only a 2 min saving is required on the round trip journey time to save a vehicle. A 22 min journey time saving is required to save a second vehicle (the same as the 15 min frequency).

A38 corridor.

- 2.33. The highway improvements that BSIP will deliver on the A38 at Barrow Gurney and Lime Kiln roundabout, as well as the traffic signal upgrades in various locations will deliver an operational cost reduction that should allow us to retain the current 12 min frequency. This only requires a 1 min journey time reduction.
- 2.34. Our plans include a higher frequency of 7.5 mins, and to deliver this a 4 min journey time reduction is required. This requires delivery of all the proposed schemes on the corridor, which deliver a 5 min saving over the whole corridor.

Transformational Funding

- 2.35. This funding package offers a transformational level of funding, eclipsing anything previously seen in public transport in the history of North Somerset Council. The investment enables the council to address the decline of the public transport market resulting from the COVID pandemic and represents a genuine opportunity to deliver on 2030 net zero carbon reduction targets, by improving the effectiveness of public transport to a level that creates a viable alternative to the use of private vehicles. This report examines the delivery and effectiveness to date of BSIP initiatives delivered over the past 12 months and makes recommendations as to how we move forward in delivery over the coming 18 months.
- 2.36. The grant will enable the council to rapidly transform the efficiency and effectiveness of bus services across the North Somerset area, by delivering on a range of integrated work in the following areas:
- Network and services
 - Fares and ticketing
 - Passenger experience
 - Enhanced partnership and integration
 - Infrastructure

2.37. Our Bus Service Improvement Plan document, which is our local delivery plan, sets out our ambitious targets. This has recently been updated to reflect the grant and Enhanced Partnership. This includes targets to:

- reduce bus journey times by 10%
- ensure 95% of services run on time
- return to pre-pandemic patronage by 2025 and continuing to grow beyond that,
- increase passenger satisfaction
- aim for all buses to be zero emission by 2030.

2.38. The BSIP delivery plans work together to deliver our aims:

- Make the bus convenient - taking our residents where they want to go at the times, they need to travel by extending the current network, enhancing frequencies, and optimising services.
- Make our public transport network co-ordinated – by providing a recognisable and consistent brand across the area, easy access to information, integrated ticketing across operators and enabling simple connections across modes and services.
- Deliver a positive customer experience – by bringing our bus stops up to a high quality and consistent standard, delivering new accessible and environmentally friendly buses, offering a value for money and affordable service for all, including some targeted fares reductions; also ensuring that people are provided with the right information as and when they need it, all so that buses are an easy-to-use and a natural choice.

2.39. The BSIP objectives are set out in the table below:

1	High mode share for buses of overall travel market	Good access to bus services and a positive contribution to decarbonisation plans and air quality improvements, and sustainable housing and employment growth
2	High quality bus service	Cohesive, comprehensive, and simple route network including co-ordinated radial and orbital services in urban areas with easy interchange between them
3	High quality waiting environment	Bus stops, bus stations and interchanges to be accessible, safe, and inclusive by design with good facilities
4	High vehicle standards	Progression to zero emissions through bids for Government funding when available, and Euro VI emission standard in the meantime
5	High level of passenger satisfaction	Bus Passenger Charter to set out what standards passengers can expect, including punctuality, vehicle cleanliness, accessibility, proportion of services operated
6	High quality information	Consistent, distinctive and readily-identifiable branding for the whole public transport network on all media
7	Low fares, simple ticketing, and easy means of payment	Low flat fares, daily and weekly capping, delivered via contactless payment, EMV and m-ticketing and support provided to multi-operator ticketing

2.40. The Enhanced Partnership (EP) is a delivery mechanism for the BSIP. The EP Plan and Scheme were legally 'made' in February 2023 following a process set out in law which includes statutory consultations. The EP is in two parts; the Plan (EPP) sets out the objectives and a clear vision of the improvements that we aim to deliver, reflecting the BSIP, and the EP Scheme (EPS) is a delivery plan and contains a legally binding set of commitments by the local transport and highways authorities as well as the

bus operators to ensure we jointly achieve the EP Plan objectives. The EP Governance has been established since making the EP and the processes of updating both EPP and EPS have been followed. Further detail on the EP is set out in paragraphs 4.59-4.74 of this report.

2.41. The overarching timescales for the BSIP award are as follows:

Date	Activity
Q1 2023	Enhanced Partnership adoption and legal making. BSIP grant draw down. Capital and Revenue scheme commencement.
31 March 2025	All BSIP DFT revenue funded schemes delivered.
30 September 2025	All BSIP DFT capital funded schemes delivered.

2.42. Delivery of the BSIP grant has progressed at pace over the past 12 months. Delivery includes:

- Fares package 1 from September 2022 which capped single fares across the district
- Launch of the WESTlink demand responsive transport service from April 2023 – the largest scheme of its type nationally, which offers flexible routed minibuses that provide links to strategic corridor services and local trips where no other buses operate.
- Bus service changes have been made in both April and September 2023, which address significant gaps in the service network (albeit not being universally positive for all communities) the latest changes involving a significant re-design of the Weston-super-Mare network.
- Fares Package 2 was implemented from August 2023, and included the current Birthday Fares offer (providing a month of free travel during applicants' birthday month) as well as a Care Leavers package which will operate from October 2023.
- Delivery of the first BSIP capital schemes nationally including at Long Ashton Bypass.

3. Policy

3.1. The national Government's *Bus Back Better – a National Bus Strategy for England* is consistent with the following NSC and West of England policies & plans:

- The West of England Bus Service Improvement Plan
- The North Somerset Council (NSC) Corporate Plan 2020-24
- The West of England Bus Strategy (2020);
- The West of England Joint Local Transport Plan 4 (JLTP4) (2020);
- The emerging NSC Local Plan 2038.

3.2. In particular, the proposals in this report directly support the council's corporate priorities, with particular emphasis on transport decarbonisation and contribute to the council's aim to deliver net zero emissions.

- 3.3. The Executive is advised that policy updates will be brought forward over the coming year in relation to the following related policy documents:
- The West of England Bus Service Improvement Plan. Annual updates of the BSIP are required from local transport authorities as part of *Bus Back Better*. The next annual update will be completed in December 2023, and the approvals have been delegated to the Executive Member for Highways and Transport by Executive Committee in February 2023.
 - The West of England Bus Strategy (2020) will be refreshed following completion of the AssessWest study (which is being funded by BSIP grant);
 - The West of England Joint Local Transport Plan 4 (JLTP4) is required to be updated in draft form by Summer 2024 in line with the new Local Transport Plan and Quantified Carbon Reduction guidance, which is still awaited from Department for Transport.

4. Details

- 4.1. This section of the report provides detail relating to each of the decisions requested from Executive Committee.
- 4.2. The Executive is advised that a separate BSIP report is being brought to the same meeting. That report covers the award of a Design and Build contract to enable the delivery of the next tranche of capital bus priority improvements. This is under separate title in accordance with our council processes for procurement documents.

Brand update (Recommendation 2)

- 4.3. The supporting 'Transport Brand Update' document sets out the proposed approach to a joint transport brand across the West of England and North Somerset area in order to simplify the passenger experience, make it easier to navigate the network and increase usage of public transport.
- 4.4. The document sets out the vision for a single transport brand under the new name 'WEST', the benefits of a coordinated brand, the branding works to date, examples of how 'WEST' will be used in practice, the scope of new branding application, budget and next steps.
- 4.5. Executive are asked to review this document and approve the new 'WEST' brand on behalf of North Somerset Council.
- 4.6. The brand implementation will be agreed and signed off by CA and NSC Directors (through a Director's Decision Notice) in line with existing BSIP programme delegations.
- 4.7. Costs for implementation in relation to the BSIP are included in the funding allocations previously approved. New work to align branding across all modes will be incorporated by officers in future bids as appropriate. Accordingly rebranding and brand alignment will only be possible in relation

to the BSIP elements, and the vision will not be fully met unless future bids for other funding are successful

4.8. See Appendix 1: Transport Brand Update

BSIP Prioritisation Study (Recommendation 3)

- 4.9. Following the first year of the BSIP grant funding, officers have commissioned a Value for Money review and assessment to ensure we are able to understand the impacts of the delivery to date and make appropriate recommendations on prioritisation of the grant moving forward.
- 4.10. In May 2023, the DfT issued updated guidance relating to the allocation of BSIP funding which provided local authorities additional flexibility to use existing BSIP funding to support existing services, which was previously only allowed if a trajectory to commerciality by the end of the programme was shown. In considering whether to redirect BSIP funding, the DfT have stated that LTAs need to consider:
- Whether the routes under consideration for support would provide better value for money compared to previous plans
 - Whether the routes under consideration for support are likely to become sustainable in the longer term
- 4.11. The DfT have not imposed a limit on the amount of BSIP funding which could be redirected to support existing supported services, but a Project Adjustments Request (PAR) is required to be submitted to DfT. This will be automatically approved by DfT if the request is for less than 10% of the total BSIP funding. Where the request is greater than 10%, the DfT will consider the request in greater detail.
- 4.12. Below we set out the main report outcomes, which officers will use to prepare a set of recommendations and initiatives that reflect on this learning (and that follow the Governments updated guidance on BSIP spending). Once approved by the Executive Member for Highways and Transport, we will then need to take an updated programme to the DfT for their approvals. All DfT Change Request approvals are founded on VfM assessment which principally considers a fixed formula Benefits Cost Ratio Assessment.
- 4.13. This report includes a review of BSIP funding and distribution in this context and has delivered an assessment of the following:
- BSIP Performance to date – an understanding of how initiatives are performing since their introduction, noting many of the initiatives are still in their infancy and therefore it is likely that insights will be limited as this point in time
 - BSIP Financial Review – analysis of the BSIP funding profile to understand what funding could be available to redistribute to BSIP initiatives
 - Prioritisation framework – development of a prioritisation framework to assess BSIP initiatives including a quantitative assessment based on

DfT value for money methodology, and a supporting qualitative assessment to provide a recommended prioritisation of initiatives when redistributing funding identified

- Review of the previously developed Supported Bus Services Evaluation Framework

- 4.14. Further to this assessment, recommendations for initiatives will be developed by officers, and in North Somerset this report seeks approval that those decisions be delegated to the Executive Member for Highways and Transport and S151 Officer given the short timescale remaining for the grant delivery. It is likely that grant funding in both the CA and NSC areas may be recommended to be redistributed to other BSIP initiatives in the range of £3.9m to £7.15m. This range relates to the performance of initiatives, which changes their cost, the potential to reallocate some funds. The budget and spend for BSIP are kept under continual review so this is a snapshot at the present time.
- 4.15. The summary below assesses the performance to date of the key initiatives rolled out. It is recognised that there is limited data to assess the initiatives on given their recent roll-out dates, however the early performance will provide an indication of the potential growth in bus usage they can drive.
- 4.16. The BSIP programme is delivering a wide range of initiatives that fall under 4 key headings:
- Network & Services – which covers the provision of enhancements to existing services to increase frequencies to improve the level of services for the customer, two new supported bus services, grant funding opportunities for local bus operators through WESTlocal, a review of the region's bus network and the region wide demand responsive transport system, WESTlink
 - Fares & Ticketing – covers three main fares packages to encourage increased patronage
 - Passenger Experience – improvements to information at bus stops, on bus and via apps, including a new region wide brand and the roll out across the network
 - Enhanced Partnership – create a partnership arrangement across buses between all stakeholders, including residents of the region, operators and public bodies.
- 4.17. The initiatives that have been rolled out, the roll out dates and summary of the performance to date is set out below. Five key initiatives have been delivered in BSIP to date, for which we hold some data to assess performance. Each of these key initiatives are considered below:
1. Fares Package 1 – launched on 25th September 2022 and largely built around the flat fares of £2 single for adults and £1 for children
 2. WESTlink – Demand Responsive Transport (DRT) services launched on 3rd April 2023
 3. Enhanced frequencies of existing bus services – launched on 3rd April 2023

- 4. Two supported bus services, 522 and 525 – launched on 3rd April 2023 (both in the wider WECA area)
- 5. Fares Package 2 – birthday bus offer launched on 3rd July 2023

- 4.18. Fares Package 1 has shown good growth of patronage from launch with a peak in late May 2023 that was 53% higher than the baseline. Correspondingly, the subsidy paid to the operators is some 10% lower than when the scheme was introduced whilst relative to the baseline, tickets sold were 53% higher. The subsidy per passenger is therefore falling at a faster rate than expected.
- 4.19. WESTlink has struggled with the national driver recruitment issue with the number of vehicles on the road being an average of 70% of the 30 that were contracted. This figure has improved since late Summer and is now closer to the capacity. Patronage levels have grown significantly since launch, ranging from 179% in the southern zone, to over 300% in the northern zone, with the opportunity for further growth as the driver situation improves. Growth rates have been more significant at of 340% and 303% for the Future Transport Zone and North areas respectively. With a larger population in the South zone there are differing vehicle numbers deployed (16 vehicles in the South zone, 8 vehicles in the North Zone and 6 vehicles in the FTZ). Patronage levels as a proportion of vehicles in operation shows that when journeys are proportionate to vehicle numbers, the North and South are performing at relatively similar levels in recent weeks. The service is still in its infancy and with increased vehicle numbers due to be added and continued marketing, there is opportunity for growth.
- 4.20. Enhanced frequencies have been delivered on 5 key corridors across the region, with an, on average, 33% increase in frequencies. Patronage growth on these services have been positive with performance in the range of the original high forecast scenario.
- 4.21. Supported services have been delivered with BSIP funding in April 2023. Their performance differs significantly. The 522 follows the route of a former bus service, so is showing stronger patronage, 525 is a new service that shows far lower patronage levels. Even with these differences, they both currently remain reliant on supported funding. There is an acknowledgement that these services provide social value over and above the funding issue. Both services are under a 2-year contract, with the aim is to make them commercially viable by March 2025.
- 4.22. Fares package 2 is the most recently launched initiative, so the data is correspondingly less available. For the first month the number of applications received averaged about 2,000 a week, with a steady increase in usage across the month from 6,411 journeys per week at commencement to 13,421 by the end of August. More data will emerge over the coming months.
- 4.23. BSIP finances were approved by DfT in November 2022, with a baseline budget of £57.5m forecast against specific initiatives. Funding for year 1 of

the programme was not received until February 2023, so year 1 spend has been correspondingly low. Revenue funding is a joint award to the West of England Combined Authority and North Somerset Council and both Local Transport Authorities must agree spending plans.

4.24. Due to the variability of the initiatives within BSIP, forecasts are continually updated with live data. At the moment, this shows a forecast underspend of £1.25m. Work has also been undertaken to look at forecasts for all initiatives and this has identified that potential funding of between £3.9m and £7.15m could become available for re-allocation to other BSIP initiatives. This forecast is a range and not a definitive value.

4.25. The report has developed a 'Prioritisation Framework.' This is based on a range of criteria, including a quantitative assessment using government guidance to assess a Benefits Cost Ratio (BCR) to ensure value for money and a qualitative assessment against a range of criteria. The qualitative assessment criteria are:

- Does it fit within the wider vision of BSIP and the West of England network;
- How does the intervention impact key social groups;
- Is the intervention sustainable within the funding period;
- Is the intervention deliverable within the funding period.

● - Limited contribution/ potential ● - Some contribution/ potential ● - Strong contribution/ potential

The table below sets out the results of the prioritisation framework for BSIP funding. The following slide provides a discussion of the assessment.

Options	Step 1: Quantitative assessment	Step 2: Qualitative assessment				Prioritisation
		Criteria 1: Network Vision	Criteria 2: Socio-economic considerations	Criteria 3: Sustainability	Criteria 4: Deliverability	
Fares	High	●	●	●	●	1
Enhanced services	High	●	●	●	●	2
DRT	Poor-Medium*	●	●	●	●	3
Passenger experience	Medium	●	●	●	●	4
Supported Services	Poor-Low**	●	●	●	●	5

*There is significant uncertainty over the value for money for DRT largely driven by uncertainty surrounding patronage. If the service is successfully delivered and promoted, and patronage levels grow, the Benefit Cost Ratio (BCR) could approach £2 for every £1 spent. At present, patronage levels are low as the service has only recently been introduced.

** Supported Services show a range of value for money depending on cost and patronage. BCRs are typically between 0.6 and 1.2 with a small number of services showing BCRs above 2.

4.26. The Prioritisation Framework concludes that:

- **Fares initiatives are ranked 1st.** Fare initiatives provide the highest value for money and perform well against the other criteria, especially socio-economic impacts during the 'cost of living' crisis. The track record with Fares Package 1 is strong, with fare changes generating substantial new patronage.
- **Enhanced services are ranked 2nd.** These services provide high value for money as the investment benefits relatively higher numbers

of passengers. The initiative also aligns well with other criteria, including the network vision and deliverability. Early indications from the first package of service enhancements show greater than expected patronage growth.

- **DRT is ranked 3rd.** The expected value for money for DRT services is uncertain as use of the service is still uncertain. If patronage levels continue to increase and services are effectively promoted, the service could provide 'medium' value for money. DRT services fit with the network vision, have positive socio-economic impacts, and are easy to deliver. They are however likely to need on-going financial support. Given benefits including flexibility and cost efficiency, DRT services have advantages over fixed route supported services.
- **Passenger experience is ranked 4th.** The BSIP includes a package of measures to increase awareness of service availability and improved customer information. The initiatives have historically provided a good return on investment and feature in Transport Focus's list of factors driving passenger satisfaction. As a result, they are expected to provide 'medium' value for money and align well with the other prioritisation criteria.
- **Supported services are ranked 5th.** Supported services are likely to generate good socio-economic impacts but given cost inflation they are increasingly likely to need long term funding and may take time to procure through open tender. As a result of low patronage levels, supported services are expected to provide poor to lower value for money. Where patronage levels are higher, value for money is also higher.

4.27. Based on this analysis, there is a good case to reallocate available funding to fares initiatives and enhanced services. Initiatives to improve passenger experience and provide DRT services are currently fully funded, but funding for these will need to be bolstered if additional services were introduced or changes made to existing operations. This work will need to be done at pace due to the time constraints of the programme to March 2025.

4.28. Whilst new supported services are likely to provide lower value for money there remain strong social reasons to invest, especially where DRT is unable to provide an alternative. In the recent past, driver shortages have constrained service expansion, but those constraints are reportedly easing so a more even balance between fares reductions and service enhancements may be possible. NSC are investing BSIP funding in the supported services below:

- £90k per annum X10
- £45k per annum Service 10
- Proposed service 10A (Worlebury area) is to be designed but is estimated in the range of £45k per annum
- Service 126 is yet to be contracted but has a cost of up to £250k per annum. This is proposed as a cross boundary with Somerset Council who are also co-funding 50:50 with Somerset. The NSC liability would be £125k per annum.

4.29. Based on this information, the proposal is to initially set out funding allocations using the remaining funding in the range between £3.9m and £7.15m is to be allocated to:

- £1.25m underspend set out above is already allocated to supported services and requires no further approvals. From this allocation North Somerset are committing the services listed above and in the CA area this will largely be used to fund extensions for the 522 and 525 BSIP funded supported services.
 - However, in North Somerset, further to those specific allocations we do not wish to see further supported services being provided in the NSC area during the BSIP period as this will create an unmanageable 'cliff edge' spend that is unsustainable at the end of the BSIP period.
 - Any funding to deliver supported bus services would need to show value for money in line with the DfT criteria, plus show a clear reflection and prioritization by residents of the region. This would require public engagement that would be used for this and future funding.
- Further fares initiatives (such as for young people, apprentices and those with a disability)
- Enhancements to existing bus services either through increased frequencies, service introductions or appropriate route changes
- Significant changes to how *WESTlink* operates, in response to our learning to date and feedback from users. This may include:
 - Changes to how the service operates, such as investigating options into smaller local zones / services;
 - Changes to the zones to improve efficiencies;
 - Improve linkages with the wider bus network;
 - A wider promotional campaign;
 - The detail of this will be worked up in partnership with stakeholders over the Autumn.
- We will also further develop initiatives that focus on building patronage. In the North Somerset area this will likely be through intensive marketing and communications activities and Personalised Travel Planning with communities, as well as focussed campaigns in partnership with operators and businesses.

These priorities will be agreed in partnership between NSC and WECA. Detailed costing, feasibility and procurement work is required to detail and progress these initiatives.

4.30. These proposals will ensure that we meet the needs of the people of our region through a mixed package of new bus services, enhancements to

existing services and fares offers to encourage increased patronage, thereby both strengthening the commerciality of the network and reducing car use to improve congestion and air quality.

- 4.31. We will continue to manage the transition to business as usual after BSIP and do not want to lose the services or see significantly increased fares. Further decisions will be taken in respect of the council's budget plans at a later date in order to manage this potential 'cliff edge'. Clearly until such budget plans and decisions are made there can be no premature commitment to future services or fare levels.
- 4.32. Any decisions on finances for BSIP cannot be made without the approval of our partner WECA and DfT as appropriate.
- 4.33. Officers will develop detailed proposals that deliver on the aims and objectives of BSIP and provide VfM within the financial allocation. We will need to secure expert advice to support the formulation of a package of suitable proposals and any amendments to current proposals that maximises opportunities and consider appropriate exit strategies for post-BSIP arrangements. These proposals will seek to ensure that we meet the needs of the people of our region through a mixed package of new bus services, enhancements to existing services and fares offers to encourage increased patronage and DRT improvements, thereby both strengthening the commerciality of the network and reducing car use to improve congestion and air quality.
- 4.34. In considering the viability of proposals officers are mindful that the bus market remains in steep recovery. Recent tender rounds have seen significantly inflated costs and in the case of some routings, no tenders have been received. We are still seeing operator delivery issues in terms of driver and vehicle availability across the sub-region. This will directly impact on what it is possible to deliver in terms of new or amended transport services.
- 4.35. Given the urgency of the review activity, tendering of services and BSIP grant timescales (to March 2025) this report asks committee to delegate decisions related to the existing BSIP grant allocation where adjustments in the value of work packages is between £3.9m-7.15m to the Executive Member for Highways and Transport and S151 Officer where these would otherwise be made by Executive Committee. Delegations were previously approved for BSIP decisions that relate to Annex 4 and the Enhanced Partnership. The DfT approvals processes, which are founded on VfM assessment, will also need to be completed. If required officers would be able to report changes retrospectively to Executive Committee via regular finance reporting or in BSIP update reports.
- 4.36. In September 2023, we were informed by DfT that funding for supported and enhanced services could be used to extend bus service provision to March 2026. We intend to price to utilise this flexibility and given the late change to the BSIP rules, will ask for this flexibility across the programme.

4.37. Officers will write to DfT to ask for an extension of BSIP funding to March 2026. The ask will relate this ask to the changing guidance from the Department for Transport which was issued 14 months into a 36-month delivery programme. This change has caused significant work and subsequent delays to programme implementation. Time and funding have been spent on re-consideration and review rather than delivery of the grant as awarded. Furthermore, tendering short-term services is typically extremely poor value for money and is counter to the long-term market recovery that is core to the West of England BSIP strategy and national policy in 'Bus Back Better'. Tenders prepared now for new services implemented in April 2024 (the next service change date) would not operate for a sufficient period to build sustainable viable products. Fares packages and media promotions are important in bolstering service sustainability and contracts should not be extended without this wider support.

ZEBRA bidding (Recommendation 4).

4.38. Action to deliver progress toward a zero-emission bus fleet was part of the Council's original bid submission to the BSIP grant. This part of the bid was not awarded by DfT, with the requirement that authorities instead apply for funding separately under the ZEBRA grant system. The ZEBRA grant funding bidding round was launched on Friday 8 September 2023. ZEBRA is the Zero Emission Bus Regional Areas (ZEBRA) scheme. A funding round was launched on Friday 8 September 2023.

This report seeks approval for officers to submit an Expression of Interest by 20 October for the Zero Emission Bus Regional Areas (ZEBRA) scheme and a bid for this funding by 15 December for up to £10m financial value. The report also delegates future decisions relating to bidding to the Executive Member for Highways and Transport. Future approvals will be sought from committee to increase the programme if bidding is successful.

- 4.39. The drivers for decarbonising our fleets are:
- Taking action on the Council's declared climate emergency to deliver net zero by 2030, which is an ambitious target. Many operators have likewise made their own commitments for zero emission fleets and this grant supports operator and council ability to deliver on these pledges
 - Removal of diesel emission vehicles from our communities improves air quality
 - New technologies, such as electric vehicles, require higher up-front capital investment costs, however longer-term whole life savings can be made
 - This will benefit the passenger experience, providing new buses with the latest technology and features, reducing vibration, noise and pollution

4.40. ZEBRA1 provided 1,300 zero emission buses (ZEBs) via £270M in funding support to 16 Local Transport Authority areas outside London. In February 2020 the Government committed to rolling out 4,000 ZEBs. Learning and best practice from ZEBRA1 has included the partnerships between operators and authorities, bus manufacturing development, lessons about the supporting infrastructure and challenges in differing areas, such as for rural communities. Key challenges for this sector that have been exposed include the high up-front capital costs, knowledge of options to decarbonise the sector and the rural challenge.

4.41. The goals for ZEBRA2 are:

- To address the barrier of high up-front capital costs
- To support either battery electric or hydrogen fuel cell buses
- To ensure that a range of LTAs get experience of introducing ZEBs

4.42. LTAs will be required to apply for funding. Joint proposals are accepted. A Green Bus Tool will need to be populated. Funding is being made available to:

- Fund 75% of the cost difference between a ZEB and a standard conventional diesel bus with the same passenger capacity
- Fund up to 75% of the capital expenditure incurred for infrastructure purchase and installation.
- The additional 25% is expected to be covered by bus operators or investors. This report does not request match funding for this bid.
- The total pot of £129M capital funding will be split across two financial years (2024/5 £89M and 2025/6 £40M).
- Authorities must have an Enhanced Partnership in place.
- Joint bids need not be with geographically neighbouring authorities.
- LTAs can be part of multiple bids but can only be the lead bidder for one bid.

4.43. The prioritisation of bids will be in the following order determined by the lead bidder:

- Rural LTAs classified under the Government's Rural/Urban Classification as 'Mainly Rural', 'Largely Rural' or 'Urban with Significant Rural' (£25M ringfenced). *NSC is eligible in this category, however, note that for rural categorisation to apply all the LTAs need to qualify.*
- LTAs that have not received ZEBRA1 funding. *WECA and NSC are both eligible in this category.*
- LTAs that received ZEBRA1 funding

4.44. The timeline for ZEBRA2 funding set out by DfT is shown below:

<i>Event</i>	<i>Date</i>
Scheme launch	8 September 2023
Expression of Interest registered with DfT. Deadline to notify the DfT of intention to apply. LTAs may submit questions to the DfT only after this date.	4pm 20 October 2023

Application deadline	4pm 15 December 2023
Q&A session on proposal with reviewers for all applicants	w/c 15 January-22 January 2024
DfT reviews and makes funding decisions	March 2024
Funding for financial year 23/24 awarded to successful LTAs.	By March 2024
Orders placed for ZEBs	31 January 2025
Funding for financial year 24/25 awarded to successful LTAs	By March 2025

- 4.45. A range of assessment criteria will be used by the DfT to consider bids and the bidding ask has significant resource implications. The Council must set out a strategic case for investment that details the case for change, community benefits, wider decarbonisation benefits, EQIA, innovation, value for money, risk assessment, deliverability (which covers a range of factors including subsidy, cost, Governance, project plans and monitoring and evaluation plans). A key part of the assessment of both bus and minibus bidding is the Green Bus Tool which is a spreadsheet-based tool used to quantify the key benefits and costs of the proposal to invest in ZEBs.
- 4.46. Given the urgency and importance of this bidding opportunity and the scale of the work Executive Committee approve officers to secure expert advice to support the formulation of the bidding documents and evidence to maximise opportunities and consider appropriate business plans, with funding for this support to be applied from BSIP allocations.

Scheme Engagement for Capital Schemes (Recommendation 1).

- 4.47. Local engagement will be undertaken for the remaining programme of capital infrastructure schemes for BSIP during 2023/24 and 2024/25. The Council will be engaging with key stakeholders over the course of the programme, sharing designs and providing updates regarding scheme delivery. This follows a series of communications already undertaken with local stakeholders including Town and Parish Councils and Ward Members.
- 4.48. The capital schemes engagement planning sits within the overarching “BSIP Communications, Behaviour Change and Engagement Strategy”, which is being finalised. This sets out the conditions to ensure:
- We promote and support BSIP overarching aims and objectives
 - Ensure public, staff and stakeholders understand the BSIP programme, the benefits, how to get involved and (if relevant) take action
 - Provide opportunities in advance of formal decisions to test and develop proposals with stakeholders – particularly seldom heard and those with protected characteristics (as identified in the Equality Act)
 - Build strong, evidence-based support among key influencers leading to modal shift and behaviour change
 - Plan for and mitigate potential reputational risks through open conversations, keeping audiences informed and opportunities to shape decisions

- Sets out campaign planning – fares package, infrastructure, WESTlink, enhanced services etc
 - Link to NCS corporate plan and CA Business Plan aims and objectives
- 4.49. The methods of our engagement will vary dependent on the type of scheme, with each campaign plan to be signed off by the BSIP SRO and Head of Communications.
- 4.50. The highest level of engagement will be to work with the local community and key stakeholder to co-develop a scheme that meets the needs of those who use and are affected by it the most and which also delivers on the objectives and terms of the BSIP grant. This approach can include community workshops, digital events, media work and online consultation options and therefore requires significant levels of resource to facilitate. It is not possible or appropriate in every location.
- 4.51. In some locations it will be appropriate to deliver a relatively high level of engagement and we will meet with community leaders and offer engagement opportunities either face-to-face or online. This approach will also include an online engagement option for the local community to put their views forward and for reporting of changes that could be made to schemes as a result.
- 4.52. For smaller schemes such as bus stops or shelters, or where the potential to make changes to schemes is more limited, we will be open with communities about our plans, but our communications will be more informative. We will follow statutory processes and use a variety of media. We will still offer the opportunity to engage with the council, but more on an individual basis than through large community groups.
- 4.53. The engagements will be phased between now and early 2025 to enable all schemes to be delivered by Autumn 2025 as per the terms of the BSIP grant. In a few cases, there will be more than one round of engagement as designs are progressed and further updates or more detailed discussion is made possible.
- 4.54. As noted above this report relates to the separate BSIP report being taken to Executive Committee on 18 October 2023 which covers the award of the associated Design and Build contract to enable the design and delivery of the next tranche of capital bus priority improvements, upon which we will be engaging. The remaining schemes proposed in the programme are:

BSIP Scheme
Martcombe Road
Portbury Hundred
Weston Village and Long Ashton parking restrictions
Wood hill
Rownham Hill
Southern Way

Queensway, World
Backwell
Ettlingen Way
Tickenham Road
Worle High Street
Churchill
Lime Kiln Roundabout
Smallway
Transport Hubs - Worle, Nailsea, Portishead and Clevedon
First and Last Mile
Smaller hubs and interchange facilities
Bus stop improvements

- 4.55. The schemes listed above have been through the following gateways:
- Approved for inclusion in the BSIP strategy adopted by North Somerset Council and WECA
 - Approved for inclusion in the BSIP bid approved by NSC and WECA for submission to DfT
 - Listing in the DfT grant award Annex 4, which the Council has formally accepted (meaning the grant is contingent on their delivery)
 - North Somerset Council Executive Committee resolutions in February 2023 for their inclusion in the Design and Build contract tendering (which brings associated elevated risk and cost of non-delivery) and noting the contract award for the Design and Build is being brought to this committee meeting as the conclusion of this programme.
 - The schemes also feature within the consulted, statutory and legally binding EP

Any changes to the principle of the scheme and its' associated deliverables would we need to be requested to DfT via their Project Adjustment Request process and also be re-negotiated with operators and the EP Board (being mindful of the costs and lost opportunities associated with this). As the BSIP and EP improvements are designed on a corridor basis any reduction in journey time savings in North Somerset's area will also have consequences for our neighbouring authorities in Bristol City Council (LHA) and WECA (LTA), as the corridors for bus services crosses into the Bristol City area, with resultant cost implications.

- 4.56. Communications and engagement plans for each scheme will be developed further within this framework, once the design and build contractors are on board.
- 4.57. Consultation and engagements will focus on ensuring the public, staff and stakeholders understand the different stages of the BSIP programme, the benefits it will bring and how to get involved.
- 4.58. We'll build public, staff and stakeholder confidence in delivery of the programme and ensure we learn from others, including through public feedback.

- 4.59. Opportunities will be provided in advance of any formal decisions to test and develop proposals for bus service improvements with stakeholders (including communities), partners and local authority staff and residents with differing experiences of bus services and from differing socio-economic backgrounds.
- 4.60. We'll ensure we hear views representative of the population as a whole, and lead targeted engagement work within seldom heard groups and those with protected characteristics (as identified in the Equality Act) and ensure their feedback is considered as part of formal Equality Impact Assessments
- 4.61. Strong, evidence-based support will be built among key influencers to support engagement.
- 4.62. Strategies will plan for and mitigate potential reputational risks through open conversations, keeping audiences informed and opportunities to shape decisions.
- 4.63. Simultaneously, officers will continue to engage formally through Council processes including regular Leader and Executive Member for Transport and Highways Executive briefings, and by bringing reports and updates to Members including through Scrutiny panels and working groups. The last update on BSIP capital schemes was given to TCC on 26 July and provided Members with a comprehensive overview of the Bus Service Improvement Plan capital programme, explaining the background and wide range of proposals covered by this project. Officers explained areas where formal decisions would be required and covered all aspects of the capital programme including schemes currently in delivery, Design and Build contract and schemes, procurement processes, hubs, shelters, stops, the proposed engagement strategy, ANPR strategy and enforcement, BSIP and EP Governance, reporting and DfT processes.

Enhanced Partnership Management (recommendation 5)

- 4.64. The Enhanced Partnership has been legally made across the West of England. This is a permanent change to the partnership arrangements for bus travel between the local authorities and the bus operators and is a substantial programme of ongoing work that requires resourcing permanently. No dedicated funding has been provided to support resourcing.
- 4.65. As the EP is a permanent statutory legal arrangement, the West of England Combined Authority and North Somerset Council propose to establish a permanent EP Manager role for the West of England area (covering both WECA and NSC transport authorities' areas).
- 4.66. This report seeks a delegation to the Executive Member for Highways and Transport and relevant officers to approve updates to the BSIP MOU that was agreed at Executive on 18 February 2023 and suitable Inter Authority

Agreements to sets out roles that reflect the management of the Enhanced Partnership for the West of England area.

- 4.67. A permanent EP Manager role for the West of England area (covering both WECA and NSC transport authorities' areas) will be created alongside supporting administration and monitoring/evaluation capacity. This will enable our statutory duties under the EP to be delivered.
- 4.68. Within North Somerset Council it is proposed some of these responsibilities be vested in the current vacant post of the Public Transport Team Manager which is an existing permanent and revenue base funded role. Following agreements, the Job Description and Person Specification will be updated in partnership with WECA and amended to reflect the revised sub-regional responsibilities.
- 4.69. Subject to the necessary processes (which are out of scope of this report) being completed the Public Transport MOU and Inter-Authority Agreements between the Combined Authority and North Somerset Council will be updated to incorporate these arrangements.
- 4.70. The significant duties of Statutory EP Management will require more than a single officer. There will be significant calls on time and resources from existing policy and operational teams. The EP business as usual structure and resourcing is required from February 2024 when the BSIP project provisions transition to business-as-usual resourcing. As the EP is permanent but the BSIP grant is not, it is noted that additional resources for administration and monitoring will be required after the BSIP grant funding ceases. Any costs and liabilities related to this will be managed as part of the BSIP exit strategy. A BSIP exit strategy will need to be considered within the parameters of the council's medium term financial planning process but will focus on some of the following issues:
- Income and regulations around appropriate use and investment of income
 - Staffing requirements to meet the new permanent statutory responsibilities including network management, information strategy, passenger experience, monitoring and reporting, Infrastructure investment and maintenance e.g. for shelters/stops.
 - Future bidding
 - Bus services investment strategy (considering VfM, social value assessments and trajectory to commerciality)
 - Resourcing of the initiatives we are signed up to in national and local policy and the EP
- 4.71. The BSIP is being delivered through the mechanism of the Enhanced Partnership (EP) rather than a franchise. Our BSIP states that "Delivering the initiatives outlined in our BSIP is best achieved by collaboration between local transport authorities and operators. That is why the West of England Combined Authority and North Somerset Council are working in partnership with local bus operators and highway authorities to develop an Enhanced Partnership (EP)". In the West of England this builds on our

strong track record of success in working with bus operators to deliver public transport initiatives – such as the Greater Bristol Bus Network, BathRider and AvonRider ticket schemes, Bath Transport Package, Weston-super-Mare public transport interchange and metrobus.

- 4.72. The role of the EP Manager is to administrate and lead both the delivery plan and a governance mechanism which helps the relevant authorities and partners work together to deliver the outcomes of the BSIP. The EP contains analysis and objectives for the following:
- Analysis of local bus services
 - Passenger experience
 - Bus journey speeds
 - Interventions
 - Review mechanisms
 - Geography of the scheme (the West of England area)
 - Competition test
- 4.73. The EP Manager will be responsible for the EP Plan (EPP) which sets out the objectives and a clear vision of the improvements that the EP is aiming to deliver, and the EP Scheme (EPS) which is a delivery plan. These are a legally binding set of commitments by LTAs, LHAs and Bus Operators to achieve the EP Plan objectives. The EP document and its associated Enhanced Partnership Schemes have been updated to reflect the scope of the DFT funding. Funded commitments are included in the EP Scheme wherever possible, for example reflecting the scope of the BSIP and CRSTS funding awards to the Councils to which bus operators have made a general commitment to making proportionate improvements. The EP commits both parties to a range of policy and operational actions. For NSC this includes through strategic planning, parking management and pricing, enforcement and road-space reallocation.
- 4.74. Bus Operators are expected to benefit from unprecedented investment in local bus infrastructure and services. The EP Deal totals £512.5M incorporating £407m of CRSTS (WECA capital), £48m (BSIP NSC capital) £57.5m (BSIP shared WECA/NSC revenue). In return operators are expected to share the investment risk by committing to their own investment (over and above the status quo) in fares, services and vehicles. The EP Manager role will lead on negotiations with operators.
- 4.75. In future Bespoke Variation Arrangements will be made as capital schemes progress through the design and consultation stages, and operators make improvement to services to reflect savings in their operating costs. The EP Manager role will lead on negotiations with operators and as the programme of infrastructure will be completed via BSIP funding first in North Somerset this supports the role being located here.
- 4.76. Review.
- The EP Plan has no end date but will be reviewed jointly by the West of England Combined Authority and North Somerset Council every year in conjunction with the annual reviews of the BSIP.

- The EP Plan will be reviewed every year after it has been made, where possible, in conjunction with the annual review of the BSIP.
- The EP Scheme will be reviewed twice a year by the EP Advisory Panel - once after completion of the annual review of the BSIP and once after reporting of progress towards the BSIP targets.
- The outcome of reviews and any recommendations arising therefrom will be reported to the EP Board, where decisions can be taken to amend the scheme according to Bespoke Variation Arrangements. Reviews will consider how well the EP Plan and EP Scheme are working, progress towards targets and general factors affecting the local bus market.
- In addition to formal reviews, the EP Advisory Panel will give bus users and stakeholders an avenue to bring issues to the attention of the LTAs, LHAs and Bus Operators.

4.77. The EP Governance process set out in the EPS notes that:

- Amendments to the EP Plan or Scheme will be considered by the EP Advisory Panel
- Decisions to amend the EP Scheme will be taken by the EP Board
- If the EP Board decides the EP Plan should be amended, the statutory process is triggered (Section 138O, Transport Act 2000).

5. Consultations

- 5.1. There has been substantial public consultation and engagement in the development of the West of England Bus Strategy and BSIP, and subsequently the EP is currently completing its statutory consultation processes, prior to being legally made.
- 5.2. The project team have undertaken engagement with stakeholders on the package of the first seven infrastructure schemes. The engagement report is published online. Further engagement will be undertaken on the other schemes listed in the BSIP and EP, and for which DfT funding has been secured, as appropriate and in accordance with Council processes. This report sets out plans for further engagement and consultation with communities.
- 5.3. In advance of bringing proposals to this committee, officers attended TCC Scrutiny Panel to discuss the BSIP revenue workstreams and the BSIP capital programme on 20 July and 26 July respectively.
- 5.4. The Transport Act (2000) lays out a statutory process for making the EP Plan and Scheme, with steps for both Councils and operators. An EP is created through a series of detailed negotiations in accordance with section 138F of the Transport Act 2000. Bus operators and Local Highway Authorities (LHAs) were engaged in the preparation of the plan. The revised EP passed a mandatory consultation with the affected bus operators and statutory bodies in January 2023 and was made in February 2023.

6. Financial Implications

- 6.1. The BSIP funding is allocated across three financial years 2022/23 to 2024/25 as below, with the profile for each funding year set out in the following table:

Financial Year	Revenue (£)	Capital (£)	Total (£)
2022/23	5,553,871	6,660,000	12,213,871
2023/24	29,750,134	20,513,000	50,263,134
2024/25	22,201,493	20,810,000	43,011,493
Total	57,505,498	47,983,000	105,488,498

- 6.2. The funding arrangements for the joint BSIP were confirmed in a letter from the DfT on the 24 November 2022, significantly later than anticipated. The total joint award of £105,488,498 – split into a specific capital award for North Somerset of £47,983,000, and a joint NSC/WECA revenue allocation of £57,505,498.
- 6.3. The DfT has provided a specific North Somerset capital investment fund over 3 years. The majority of this investment is to deliver the bus priority corridors to support the regional bus network as per the table below.

Capital costs	Total project costs (£)
Bus Priority – A38	7,835,000
Bus Priority – Portishead to Bristol	5,240,000
Bus Priority – Clevedon	7,570,000
Bus Priority – WSM routes	1,880,000
Bus Priority – WSM to Bristol corridor	13,305,000
Other infrastructure and ticketing	12,153,000
Total costs	47,983,000

- 6.4. This now forms part of the Councils capital programme and will be monitored through the Councils capital governance process. Following the award of the design and build contract a detailed review of all project costs over the life of the programme is being carried out which will result in a further project adjustment request.
- 6.5. Indicative allocations of the BSIP revenue funding are to be based on population shares (ONS 2021 Census) of 22.5% for North Somerset and 77.5% for the West of England Combined Authority. The table below shows the indicative funding for across the various work packages.

Annex 4 allocations	Indicative total project costs (£)	Indicative NSC project costs (£)

Fares support	21,466,858	4,830,043
Ticketing reform	110,000	24,750
Bus service support	27,348,640	6,153,444
Marketing	5,700,000	1,282,500
EP delivery LTA costs	2,700,000	607,500
Other infrastructure	180,000	40,500
Total costs	57,505,498	12,938,737

- 6.6. The joint revenue funds are pooled and held by WECA with most of the revenue spend being delivered by a joint central team. As outlined in sections 4.10 - 4.38 a prioritisation study has taken place to ensure we are able to understand the impacts of the delivery to date and make appropriate recommendations on prioritisation of the grant moving forward. The results of the study show will help progress towards zero emission buses. This was one of the key objectives of the BSIP.
- 6.7. If the council is successful in the EOI stage then this report seeks approval to delegate the submission of a funding bid of up to £10m to the Executive Member for Highways and Transport with advice from Director of Place, and S151 officer. The grant funding will only fund 75% of the cost difference between a ZEB and a standard conventional diesel bus and 75% of the costs incurred for infrastructure and installation. The remaining costs will be covered by operators or investors.

7. Legal Powers and Implications

- 7.1. North Somerset Council are both the highway and local transport authority and so have the legal powers to amend the highway and transport network, under the Council's powers as Local Highway Authority (Highways Act 1980).
- 7.2. Enhanced Partnerships are enshrined in the Transport Act 2000 (as amended by the Bus Services Act 2017). Government has published detailed guidance on the statutory process to develop an EP and on its expectations for Bus Service Improvement Plans. The guidance is being followed and reflects the draft Enhanced Partnership Plan attached.

8. Climate Change and Environmental Implications

- 8.1. The adopted BSIP and proposed Enhanced Partnership plan and schemes will provide a system to formally improve the existing bus network. If the aims are achieved then there will be a significant behaviour change in the district, specifically an increase in the proportion of trips by bus, replacing trips otherwise undertaken by the more polluting (and less space-efficient) single occupancy petrol/diesel cars.

- 8.2. The EP and BSIP contain legally binding environmental standards starting with Euro VI minimum emissions standards across the entire region's bus fleet by the end of 2023, and a road map to introduce zero emissions buses starting as early as 2025, with full zero emissions by 2035. Bidding for ZEBRA funding will specifically support the decarbonization of the bus vehicle fleet and support the infrastructure development and investment required to deliver these enhancements.
- 8.3. All specific infrastructure projects will undertake a more detailed environmental assessment.

9. Risk Management

- 9.1. The risks associated with implementation of the recommendations and appropriate mitigations are:

Risk	Mitigation
Potential loss of discretionary funding from Government to support commercial bus operators and our bus service contractors during recovery from the pandemic.	Adopt EP and proposed Schemes to meet the ambitions of the national bus strategy.
Insufficient revenue budget in longer-term to maintain enhanced bus network after the initial Transformation Funding ends in 2025.	<ol style="list-style-type: none"> 1. Maintain regular dialogue with bus operators through the EP Governance mechanisms. Use our regional joint evaluation tool to help prioritise bus revenue support if necessary. 2. Robustly monitor new or improved services to ensure corrective action is taken. 3. Promote the network to build patronage and reduce the need for public subsidy 4. The EP contain mechanisms to formally postpone, vary or cancel elements of the Partnership.
Insufficient revenue budget to maintain enhanced bus network if demand recovers more slowly than anticipated.	<ol style="list-style-type: none"> 1. Maintain regular dialogue with bus operators through the EP. Use our evaluation tool to help prioritise bus revenue support if necessary.

	<ol style="list-style-type: none"> 2. Invoke Adjustment mechanisms to re-align resources. 3. Consider alternative funding sources and re-investment of any revenues generated such as enforcement.
Ability to recruit and retain staff.	The council will seek to recruit staff to support the delivery of the BSIP programme by aligning the grades with the equivalent of those in the WECA. Where inability to recruit persists we will seek external resources and amend our delivery models.
Disruption to the network during construction.	The capital works will be co-ordinated to ensure that the disruption to the network is minimised. This will include using a communications team to inform all the relevant parties of the schedule of works.
Community opposition to the changes disrupts and delays the programme significantly.	Development of an appropriate engagement plan and communications, as set out in this report.
Loss of services at the end of the BSIP grant due to failure to deliver infrastructure schemes that secure journey time, reliability and operational cost savings for bus services.	<ol style="list-style-type: none"> 1. Evidence based decision making (see paragraphs 2.3-2.33 in this report) 2. Delivery of an approved communications and engagement strategy 3. Following council processes to seek additional funding in line with the requirements of the MTFP.
Unsustainable cost pressures at the end of BSIP due to failure to deliver infrastructure schemes that secure journey time, reliability and operational cost savings for bus services.	

10. Equality Implications

- 10.1. An Equality Impact Assessment has been undertaken on the BSIP Grant Application and individual EQIAs are being undertaken to inform investment decisions in each work package area.
- 10.2. One of the key drivers of the national bus strategy 'Bus Back Better' is to improve accessibility for all. This includes the need to improve the access to bus information for residents with sight or hearing impairments, physical accessibility improvements in getting to bus stops, the waiting and boarding facilities at stops and interchanges and also the vehicles themselves, such

as consistent local branding of stops and services, up to date accessible timetable and route information at bus stops, same evening and weekend frequencies as day time, simplified ticketing and easy payment options, and more marketing campaigns to promote existing and new routes. Furthermore, one of the actions for national government as part of the strategy is to review eligibility for free bus travel for disabled people to ensure that the strategy helps to improve the equality of opportunity and help disabled people participate fully in public life.

- 10.3. The Bus Service Improvement Plan (BSIP), includes several key objectives, including but not limited to:
- high quality bus service.
 - high quality waiting environment.
 - high vehicle standards.
 - low fares, simple ticketing and easy means of payment
- 10.4. More specific attributes are contained under each objective, including:
- Bus stops, bus stations and interchanges to be accessible, safe, and inclusive by design with good facilities.
 - Good pedestrian/wheeling accessibility to adjacent residential areas and passenger destinations.
 - Full accessibility with ample areas for pushchairs and luggage in addition to the wheelchair space and audio/ visual next bus stop announcements
 - Setting a basic minimum standard of accessibility to network from rural areas.
 - Easy access to information via Travelwest website and app, including times, accessibility information, fares, and live running.
- 10.5. These are just some of the objectives and attributes set to be included within our BSIP and reflected in future EP schemes, that show the level of commitment to improving equality and accessibility to a vastly improved bus network, all through the direction of the national bus strategy.

11. Corporate Implications

- 11.1. The adoption of the proposed BSIP Funding and EP provides a flexible mechanism to deliver the ambitions of the adopted BSIP. This also means the council is jointly responsible for the delivery of the services as per the terms of the Enhanced Partnership commitments <https://www.westofengland-ca.gov.uk/wp-content/uploads/2023/07/West-of-England-EP-Scheme-V3.0-27-June-2023.pdf> , meaning there will be 'no return' to a situation where services are planned on a purely commercial basis with little or no engagement with, or support from, LTAs.
- 11.2. More focused to NSC Corporate policies, the national bus strategy (via our more specific BSIP for North Somerset and the West of England) set out a new long-term vision and action plan to achieve a cohesive network of attractive, high quality bus services to kickstart a new era for bus travel as

an option for all. The adoption of the Enhanced Partnership provides the flexible mechanism to deliver the ambitions of the BSIP aligned with our Corporate Plan priorities of being:

- Open (with the open sharing of bus data helping to improve bus services further including accessibility and journey planning);
- Fair (by significantly improving equality and accessibility to and on the bus network).
- Green (with the more people using the bus instead of private car, this has a huge potential to save significant carbon and other greenhouse gas emissions).

11.3. More specifically, the NSC Corporate Plan 2020-24 sets out to achieve ‘A transport network that promotes active, accessible and low carbon travel’ and by 2023, to see ‘More people using the bus network, and improvements in reliability and passenger satisfaction’. Through delivering showcase bus corridors, as well as other measures that are detailed in the BSIP and proposed EP schemes, the Corporate Plan aims to see:

- An increase in bus patronage
- An increased range of effective and frequent services.
- The delivery of at least Three new showcase corridors by 2025, and.
- Measures to enable the unhampered movement of buses.

11.4. Adopting the proposed Enhanced Partnership provides the necessary legal mechanism to delivering a joint Bus Service Improvement Plan (BSIP) with WECA and bus operators and preparing a joint Enhanced Partnership (EP) would be consistent with and add further weight to our Corporate Plan aims for bus service improvements shown above.

12. Options Considered

12.1. The alternative of a franchise has been discussed and discounted as a viable short term delivery model as part of the BSIP submission, this would also require specific approval from the Secretary of State. The collaborative approach taken with the Enhanced Partnership has resulted in genuine innovation and improvements outweighing the need to consider this approach within this paper and during delivery of the BSIP.

13. Authors:

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2. Appendices:

- Appendix 1: Transport Brand Update [Appendix 1](#)

- Appendix 2: KPMG Prioritisation and Value for Money Review [Appendix 2](#)

14. Background Papers:

- Executive Report of 18th February 2023
- Executive Report of 22nd June 2022
- Executive Report of 23rd June 2021
- Executive Report EXE 54 20th October 2021
- The West of England Bus Service Improvement Plan
- The national bus strategy: Bus Back Better (March 2021)
- National Bus Strategy: Bus Service Improvement Plans (May 2021)
- Guidance to all local authorities and bus operators (Department for Transport, May 2021)
- The West of England Bus Strategy (June 2020)
- The West of England Joint Local Transport Plan (JLTP4) (March 2020)
- Bus Services Act 2017 – New powers and opportunities
- Guidance on Enhanced Partnerships
- Guidance on Franchising Schemes
- DFT Annex 4 Draft Submission 03/05/2022
- DFT Annex 4 Draft Submission 10/2022
- BSIP Award Letter
- BSIP Funding Summary (DFT annex 4)