

Executive

13 July 2023

Report of the Director of Place
Portfolio of the Executive Member for Economy
and Transport

Update on local bus services

Summary

1. Bus services have faced a challenging environment nationally, during and since the pandemic. Whilst the impact in York has not been as severe as many other places there is still a significant impact in terms of reduced patronage. Increases in fuel prices and mitigations to manage national driver shortages have increased operating costs.
2. The government has provided financial support in response to COVID to the bus industry, which has been vital to recovery to date, however, the very recently announced reduced value extension to that support to July 2025 will put pressure on local services. As the support is withdrawn the commercial viability of these services is becoming challenging.
3. In December 2022 and March 2023 Executive made decisions to support bus services in the short term by approving the emergency subsidising of bus services and to maintain the bus network where possible. This included reviewing frequency of bus services to maintain the network, working with bus operators on the driver recruitment challenge and to opening park and ride for Easter 2023.
4. This report updates the Executive on the actions taken in response to those decisions and details future plans to stabilise, improve and grow the local bus network in response to the reduced government funding. These actions are designed to facilitate future growth.
5. By stabilising the network against this challenging backdrop it sets a foundation to grow patronage, grow the network and maintain the objective to enhance the network within York's Bus Service Improvement Plan. It is important that people can rely on bus services in order to see the bus as

a viable mode of transport. Bus services are a key enabler in the City's future transport strategy and targets around de-carbonising transport in York. Details of Bus Services in the City are summarised in Annex A. City of York Council has been working with a range of stakeholders in the bus industry to develop services in the city in the longer term.

6. Officers have completed all actions in relation to securing the Department for Transport BSIP funding for 2022/23 and 2023/24 and are delivering a range of the initiatives.
7. This report all discusses the Centre Bus Priority Study, the City Centre Bus Shuttle and Young Person and Family Fare initiatives proposed within the BSIP.
8. It must be noted that the current government funding directly to bus operators ends in the summer of 2025. The Councils BSIP allocation also is due to end in the Summer of 2025. Therefore, the support for the bus industry will significantly change at this point.

Recommendations

The Executive is recommended to:

- To note, the BSIP delivery update in this report, including, infrastructure improvement development, young person and family incentives, and the bus service support. These are key BSIP item and are priority for this year. Delivery of these initiatives are not affected by the bus subsidy challenges.
- To note, there remain a number of issues within the bus industry, including changes to government funding to bus companies, the current the timeline of government funding matches BSIP, leading to a potential cliff edge of funding for services in summer 2025. Officers will continue to work with the Enhanced Bus Partnership to seek to mitigate risk but future intervention by CYC maybe required. The existing bus subsidy service support is detailed within this report.
- To note, operators have indicated that they were to remove some early am and late pm commercial services (No.1, 4, 6 and 10/10A) which they consider are not economically viable. Officers have arranged short-term contracts from bus operators to retain the under-threat elements of the No.1, 4, 6 and 10/10A, this additional funding will be considered Enhanced Bus Partnership in July 2023. A longer Term Tender process will be undertaken and reported back to the Executive.

- To note, that Officers will present the subsidy per passenger as part of any future funding decisions on which services should be supported to help Members with their decision making.
- To note, the funding allocation to service support is limited and the initial allocation is committed. Local Transport Authorities (LTAs), such as York, are now able to re-allocate part of the original BSIP funding to service support. LTAs can switch up to 10% of the revenue allocation over the three-year programme without the Government's approval. This would impact on the Council ability to deliver an existing BSIP deliverable project and require formal decision making.
- To note, the report on City Centre Bus Shuttle is imminent but it will need to be considered and possibly revised further in light of any decisions to review hostile vehicle mitigation measures.

Reason: To ensure that the Bus Network in York is stabilised and that the council can work with the statutory Enhanced Bus Partnership to deliver its stated Bus Service Improvement Plans objectives in line with the National Bus Strategy, by both improving passenger experience and increase bus patronage.

Background

9. Prior to the covid pandemic, York's bus services carried approximately 16 million passengers a year, with a steady increase in passenger volumes since 2014. The number of passengers carried at the moment is around 85% of pre-covid volume, at a time when service operating costs have increased, which means York's bus services now:
 - Carries around 40,000 passengers a day
 - Fulfils around 10% of all journeys in the city, and around 30% of all journeys to the city centre
 - Costs approximately £70,000 a day to operate
 - Employs around 500 people
10. City of York Council has been successful in securing funding to develop the bus network. Zero emissions bus grants of £11.3m have been awarded in the last 12 months and the council was successful in attracting £17.4m funding through central government's Bus Service Improvement Plan.

11. Though the Local Plan process a series of network enhancements have been identified to support new developments in York.

Bus Service Improvement Plan

12. In April 2022 City of York Council (CYC) was given an indicative allocation of £17.4m for enhancing York's bus network working with the Enhanced Bus Partnership. This funding comprised capital funding of £10.7m and revenue funding of £6.7m. The grant for the first year (£4.6m) was paid to CYC in November 2022, at which point CYC mobilised to deliver the programme.

13. Key elements of the programme in delivery and development are:

- In development and design, upgrading York's park and ride sites to provide Transport Hubs enabling a wider range of services, including providing opportunities to catch a wider range of bus and coach services, overnight parking, pick up e-bikes and e-scooters for onward travel and greater numbers of cycle lockers;
- Study to Improved bus priorities on high frequency bus routes/ in the city centre in development;
- Improvements to real time information systems across York in development;
- In development and delivery, a range of reduced fares, targeted to younger people and those who may be suffering hardship, but are not covered by existing concessionary fares schemes;
- In delivery, introducing an all-operator tap-on-tap-off ticketing system – potentially also allowing reduced price travel across the York boundary into North Yorkshire/ the East Riding of Yorkshire;
- In development Travel behaviour change campaigns to encourage greater use of sustainable modes, including buses;

14. A key part of the BSIP funding is the support to the existing network in light of the challenges the bus industry faces. A significant rise in operating costs and a national driver shortage is creating an extremely challenging context for bus service operation. By stabilising the network and supporting the bus industry through driver recruitment, etc, it sets a foundation to encourage people to return and use public transport. This has been through providing Bus Subsidy to commercially threatened services.

15. Table 1 below summaries the allocations per priority area.

		22/23	23/24	24/25
Bus Priority Infrastructure	Bus priorities on key radial routes into York	500,000	1,250,000	1,250,000
	City centre and approaches bus priority package	500,000	750,000	750,000
Other Infrastructure	Park and ride interchange package	500,000	1,750,000	1,750,000
	Bus stop upgrades	50,000	100,000	100,000
	Additional real time information screens	800,000	490,000	
	Tactical small scale bus priority schemes	25,000	50,000	50,000
Fares Support	Young persons fare reductions	800,000	1,100,000	1,460,000
Ticketing Reform	Development of tap on tap off fares	150,000	50,000	50,000
Bus Service Support	Development of core network including city centre shuttle	800,000	500,000	235,000
	Restart of Poppleton Bar park and ride	250,000	350,000	150,000
Marketing	Travel Behaviour Change campaign	200,000	300,000	300,000

Table 1

16. Work to date has included defining a clear programme and spend profile over the delivery period to the end of March 2025 and agreeing this with Enhanced Bus Partnership and the DfT.

City Centre Bus Study

17. Virtually all bus services in York terminate, start or travel through York city centre and analysis presented in York's draft Local Transport Consultation (February 2023), suggested that bus passengers make up 37% of the road users in central York on a typical day. This figure had risen consistently (by 15%) since the early 1990s. During preparation of York's BSIP, consultation with stakeholders, both bus users and operators, made it clear that slow and uncertain journey times through York city centre (and on some radial routes) are a significant barrier to improving York's bus network. Analysis of bus journey times confirmed this with significant variation in journey times seen through the day and from day to day. On award of BSIP funding, City of York Council have commissioned consultants to report to measure the problems experienced and suggest schemes and policies which may overcome them. The study is expected to report shortly.

Bus Support

18. The York Bus Network has been affected by decreased passenger numbers both on the Park & Ride and wider network with a 20% reduction in passengers compared to pre COVID.
19. Operators are experiencing rising operating costs in terms of fuel with increases averaging 38% and staff costs increasing on average by 28%.
20. There are national and local driver shortages. The pool of drivers in York is very small and many have either changed to other professions or there has been an increase in retirements. Resource issues are a key problem in many sectors of the economy.
21. Without additional external assistance, the council does not have sufficient financial influence on its own to make much overall difference to the economic viability of the bus network in the long term.
22. The contracts are funded through BSIP funding and are conditional on the BSIP funding, have we got break clauses if the BSIP funding is not secured in the future.
23. Since spring 2020, HM Government has been providing substantial covid support funding to the UK bus industry. The main funding stream for operators of commercial local bus services, Bus Recovery Grant (BRG), is being scaled back from the end of June 2023. From 1st July, BRG will

be replaced by a supplement to a long-standing fuel duty rebate known as Bus Service Operators Grant (BSOG).

24. The monetary impact of this change upon each bus operator is not in the public domain, however officers understand that overall, covid support funding to the sector will reduce by at least 30%. As a result, First York has opted to make cost-reducing timetable changes to a number of its services from 2nd July, which will result in the loss of several early morning and late evening trips across the network, along with the withdrawal of service 10 on Sunday daytimes and weekday evenings.
25. The Executive Member for Economy and Transport has tasked officers with seeking short-term quotes from bus operators to retain all under-threat elements of the First York network for a 3 month period. The services affected are summarised in Table 2. A Short Term Tender was awarded, and will be discussed with the EBP in July. Should the EBP not ratify the funding it will need to be withdrawn.

Route No.	Day/period	Journeys required (times and routes as per current First York timetables*)		Est. PVR	Approx. Bus Hrs.	Average daily patronage
1	Weekday mornings	0530, 0550, 0610, 0635 ex Wigginton	n/a	4	3	26
	Saturday mornings	0531, 0606, 0636 ex Wigginton	0620, 0655 ex Chapelfields	3	3.5	32
1	Weekday evenings	2215, 2246 ex Wigginton	2201, 2231, 2302 ex Chapelfields	3	3.5	16
	Saturday evenings	2325 ex Wigginton	2308 ex Chapelfields	1	1.5	est. 6
	Sunday evenings	2232, 2317 ex Wigginton	2319 ex Chapelfields	2	2	6
4	Weekday mornings	0530, 0600, 0630 ex Acomb	0600, 0632, 0647 ex Clifford St	2	3	55
4	Weekday evenings	2317 ex Acomb	2303 ex Clifford St	1	1	21
6	Weekday mornings	0545 ex Clifton Moor	0550 ex University Campus East	2	1.5	28
	Saturday mornings	0540, 0610, 0640 ex Clifton Moor	0545, 0615, 0645 ex Campus East	3	4	72
6	Weekday evenings	2347 ex Clifton Moor	n/a	1	<1	8
10/10A	Weekday mornings	0545, 0620 ex Piccadilly; 0629 ex Poppleton	0629 ex Stamford Bridge	3	3.5	74
	Saturday mornings	0550 ex Piccadilly; 0630, 0659, 0729 ex. Pop.	0629, 0729 ex Stamford Bridge	3	5.5	107
10	Weekday evenings	1833, 1917, 2001, 2109, 2209 ex Poppleton	1828, 1903, 2017, 2117, 2217 ex S.Br.	3	10	172
10	Sundays	Entire current timetable	Entire current timetable	2	23	684

Table 2

26. Table 3 indicates the subsidies provided to date in relation to support of local bus services through the BSIP programme. This excludes the sort term support to the Numbers, 1, 4, 6, 10/10A, and the costs will increase when a longer term tender process is undertaken.

Financial year	BSIP Budget			BSIP Expenditure						Year end budget remaining
	Network Support	Poppleton Bar	Net position at start of year (including previous year's carry-over)	12 13 (Sat)		412 service 412		59 Poppleton Bar	Total spend	
				£51,799	£10,640	£14,938	£-6,887	£0		
2022/23	£800,000	£250,000	£1,050,000	£51,799	£10,640	£14,938	£-6,887	£0	£70,490	£979,510
2023/24	£500,000	£350,000	£1,829,510	£298,999	£33,630	£74,451	£-37,250	£600,000	£969,830	£859,680
2024/25	£235,000	£150,000	£1,244,680	£298,999	£33,630	£74,451	£-37,250	£600,000	£969,830	£274,850

Table 3

27. The spend is being carefully monitored and it is anticipated spend at Poppleton Park & Ride maybe lower than expected in 24/25 giving a surplus to cover any currently identified overspend. In addition, LTAs with existing BSIP allocations – but not in receipt of BSIP+ Are now able to re-allocate part of the original BSIP funding to service support -subject to approval via the Departments of Transports Project Adjustment Requests (PAR) process. We can confirm that a switch of no more than 10% of the RDEL allocation for the three-year programme may be made from an existing BSIP deliverable to supporting services, without the Department’s approval. This would still need to be notified to DfT through the completion of a PAR form, but approval would be automatic. DfT expect any LTA that does wish to make use of this new flexibility to carefully consider and confirm whether supporting existing routes would provide better value for money compared to their previous plans, and whether the routes they wish to support are likely to become sustainable in the longer-term. This would equate to around £700k, this will be kept under review with the Enhanced Partnership and we will if required return to the Executive.
28. Summary of current bus network support CYC’s current support bus network support portfolio consists of:
- a) Services fully tendered prior to BSIP award and funded from CYC revenue budgets with some assistance from the council’s devolved Bus Service Operator’s Grant (BSOG) allocation; i.e. 14, 16, 18, 19 (Sat), 20, 21, 24, 25, 26 and 36/X36.
 - b) Contributions to services tendered or operated by North Yorkshire Council; i.e. 22/23, 42, 412 (NYC) and Castleline.
 - c) Services fully tendered until 31/3/25 using BSIP funding, ie. 12, 13 (Sat) and 412 (Connexions)
 - d) Services with some journeys now in receipt of short-term BSIP funding (pending further decision); ie. certain early morning and evening journeys on services 1, 2A, 4, 6, 10/10A.
 - e) One Park & Ride service being fully funded from BSIP, ie. 59 (Poppleton Bar).
29. Table 4 shows the current annual spend for items (a) and (b). Table 5 shows the spend over the lifetime of the BSIP for items (c), (d) and (e).
30. At present, spend is largely within budget, however a modest reallocation of around £50k will need to be made from the BSIP fares support allocation. This is within permitted rules (up to 10% of overall BSIP

revenue can be reallocated to other BSIP revenue areas without seeking DfT permission).

31. There are a number of further challenges ahead. With driver costs increasing by 50% since 2021, along with patronage levels on many services remaining well below 2019 levels, some operators of CYC tendered services have advised that they are making substantial losses at the current contract prices.
32. Whilst there is no formal mechanism within CYC contracts for contractors to either force a renegotiation or give notice on contracts, the current situation is unsustainable and if left unaddressed is likely to lead to some operators faced with the difficult choice of whether to breach contracts in order to protect their business from catastrophic losses. This is something which the council will need to address either proactively or reactively and is likely to lead to cost increases and/or reduced service levels on tendered services.
33. If, as is expected, central government Covid support funding continues to be gradually phased out over time, more and more marginal routes and journeys are likely to face withdrawal by commercial operators. In the short term, some of these can be covered by BSIP, however it should be noted that the bus network support element of this funding source is now committed until March 2025.
34. With an increasing percentage of the York bus network becoming reliant on BSIP funding, the council also needs to remain highly aware of the March 2025 cliff-edge, beyond which no identifiable funding source exists to keep many of these services operating. Whilst other BSIP measures are expected to deliver steady patronage growth, continued strong upward inflationary pressures will unfortunately negate much of the commercial benefits of this.

CYC-funded bus services									
Service Number	Route	Operator	Journeys supported	Pro-rata annual gross contract cost at June 2023 rates	Pro-rata annual net cost to CYC at June 2023 rates	Approx. annual patronage (CYC contracts only)	Approx. cost per passenger (CYC contracts only)	Contract expiry date	
11	Bishopthorpe - City - Heworth	First	All after 1900	£21,300	£21,300	9,000	£2.37	31/08/2024	
14	Foxwood - City - Haxby	Transdev	All	£57,800	£57,800	11,000	£5.25	31/08/2024	
16	Acomb - Hamilton Drive - City	Connexions	All	£62,000	£62,000	52,000	£1.19	31/03/2025	
18	York - Holme-on-Spalding-Moor	East Yorkshire	All (contribution rec'd from NYC, ERYC and parishes)	£62,700	£27,200	45,000	£1.39	03/08/2023	
19	Skelton - Burton Stone Lane - City (Mon-Fri)	Reliance	0800 weekday journey	£19,800	£19,800	n/a	n/a	31/08/2024	
19	Skelton - Burton Stone Lane - City (Sat)	Transdev	All	£11,200	£11,200			31/08/2024	
20	Rawcliffe - Clifton Moor - Monks Cross - Heworth/Osbaldwick	Transdev	All	£163,200	£163,200	60,000	£2.72	31/08/2024	
21	York - Colton	York Pullman	All (contribution rec'd from NYC)	£114,000	£85,700	21,000	£5.43	31/08/2024	
22/23	York - Knaresborough (via Hessay)	Transdev	Contribution to NYC contract		3rd party contract, total costs not known	£2,300	n/a	n/a	External
24	Acomb - City	Transdev	All						
25	Fulford - City - Foss Islands - Derwenthorpe	Transdev	All						
26	Fulford - City - South Bank	Transdev	All	£180,500	£180,500	150,000	£2.37	31/08/2024	
36/X36	York - Wheldrake - Elvington - Sutton-on-Derwent	York Pullman	All (contribution rec'd from ERYC)	£82,400	£68,800	16,000	£5.15	31/03/2025	
42	York - Cawood - Selby	Arriva	Contribution to NYC contract		3rd party contract, total costs not known	£7,900	n/a	n/a	External
412	York - Wetherby	NYCC	Contribution to NYC operation		3rd party contract, total costs not known	£7,600	n/a	n/a	External
CAS	York - Castle Howard (via Woodlands Grove)	Transdev	Contribution to NYC contract		3rd party contract, total costs not known	£2,000	n/a	n/a	External
Total				£774,900	£696,000				

Table 4

BSIP-funded bus services											
Service Number	Route	Operator	Journeys supported	Pro-rata annual gross cost at June 2023 rates	Pro-rata annual net cost to BSIP at June 2023 rates	BSIP funding allocated 2022/23	BSIP funding allocated 2023/24	BSIP funding allocated 2024/25	Total BSIP allocation	Est. annual passengers	Est. cost per passenger
<i>Services in receipt of BSIP funding until 31/3/25:</i>											
12	Foxwood - City - Monks Cross	East Yorkshire	All	£300,000	£300,000	£52,000	£300,000	£300,000	£652,000	146,000	£2.03
13	Copmanthorpe - City - Haxby (Saturdays)	Connexions	All	£31,000	£31,000	£10,600	£31,000	£31,000	£72,600	17,000	£1.82
59	Poppleton Bar - City	First	All	£600,000	£600,000	£0	£600,000	£600,000	£1,200,000	236,000	£2.54
412	York - Wetherby	Connexions	All	£74,500	£37,300	£6,900	£37,300	£37,300	£81,500	42,000	£1.79
<i>Services in receipt of short-term funding until 30/9/25 pending further decision:</i>											
1	Chapelfields - City - Wigginton	First	Early morn, late evening	£50,000	£50,000	£0	£12,500	£0	£12,500	13,000	£3.85
2A	Rawcliffe Bar - City	First	Late evening	£10,800	£10,800	£0	£2,700	£0	£2,700	27,000	£0.40
4	Acomb - City	First	Early morn, late evening	£18,000	£18,000	£0	£4,500	£0	£4,500	20,000	£0.90
6	Clifton Moor - City - University Campus East	First	Early morn, late evening	£19,600	£19,600	£0	£4,900	£0	£4,900	13,000	£1.51
10	Poppleton - City - Stamford Bridge	First	Early morn, evening	£47,200	£33,000	£0	£8,250	£0	£8,250	68,000	£0.49
BSIP network support funding available (including Poppleton Bar)						£1,050,000	£850,000	£385,000	£2,285,000		
Total committed spend						£69,500	£1,001,150	£968,300	£2,038,950		
Current uncommitted funding									-£246,050		

Table 5

Reduced Bus Fares/ simplifying bus fares.

35. Funding is allocated in the BSIP programme for supporting targeted bus fare reductions.
36. Furthermore, the Enhanced Partnership is developing new “tap-on-tap-off” ticketing products to make it easier for bus passengers to cap the cost of daily travel – in the same way that is currently applied in London. Tap-off readers have been installed on First and Transdev buses and will be installed on all other buses in York in the coming months.
37. CYC is engaging with Transport for the North to identify the most effective ways to implement fare reductions and simplifications. The Executive is asked to approve financial support through the BSIP funds to introduce a half-price All York family ticket deal for the summer holidays in July and August 2023, which would not apply on Park & Ride which already has its own fare structure. In September 2023 a 4 month trial of a £1 flat child and young person fare, to be evaluated in November 2023 for possible extension.
38. Taking these two interventions together implies a central cost estimate of around £600k for the Sept 23 to March 24 period and £1.1m for the 2024/5 year (total £1.7m). Upper bound cost estimate is £2.4m. The upper bound is within the £3.4m allocation for fare discounts for young people. The remnant funds in the budget could be used for distributing 16-25 travel cards or other areas within the BSIP programme.

City Centre bus shuttle service

39. A successful engagement event in January 2023 was undertaken as part of a study to introduce a City Centre Shuttle. Steer Consultancy were commissioned to undertake undertaken a to explore route and vehicle options for a city centre bus shuttle that would provide access to the pedestrianised centre of York, known as the Footstreets. This report is imminent and will need to be considered and possibly developed further as part of part of Hostile Vehicle Measures and Blue Badge access to the City Centre.
40. This report considered and possibly developed further in light of any decisions to review Hostile Vehicle Mitigation Measures.

Council Plan and policy framework

41. The council’s commitment to stabilizing, improving and growing the bus network is consistent with the 10 Year Plan for the city, known as York

2032 which recognises transport as a key priority for the city setting the goal that York's transport networks will be inclusive, sustainable, connecting neighbourhoods and communities.

42. The Climate Change Strategy 2022-2032 notes that with emissions from transport represent 27.9% of York's emissions and of this, 88% of emissions from car travel or public transport, the strategy sets an objective to increase the share of vehicles on the road that are electric or hybrid and reduce overall car use through alternative modes, such as public transport.
43. The programme contributes towards the emerging Local Transport Strategy reflecting the importance of public transport in York's transport hierarchy and the Bus Services Improvement Plan agreed for York.
44. A new council plan is being prepared in response to the new administration's priorities and political mandate. Stabilising and securing bus services ensuring an equal and fair public transport service.

Climate: Providing a high-quality bus service supports an increase in alternatives to car usage which will reduce carbon emissions. The programme notes the zero emissions bus grants, the upgrades to Park and Ride sites to encourage cycling or e-bikes/scooters and the role of behaviour change to prompt changes in transport choices.

Health: Increasing uptake of public transport may reduce the number of petrol and diesel car users which could improve air quality which will lead to significant health benefits.

Affordability: The programme will support reduced fares targeted to younger people and those suffering hardships, with simplified fares for families and young people and the improved bus network supporting economic, leisure and social activities.

Equalities and Human Rights: Equalities impact assessments formed parts of the previous reports on York's bus network. As this report makes no change to scope of the projects EIAs have not been reviewed. The Council has taken account of the Public Sector Equality Duty under Section 149 of the Equality Act 2010 (to have due regard to the need to eliminate discrimination, harassment, victimisation and any other prohibited conduct; advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it and foster good relations between persons who share a relevant protected characteristic and persons who do not share it in the exercise of a public authority's functions).

Consultation

45. Consultation has been undertaken with Bus Operators and with the York Bus Forum in their response they are keen to support retaining as many services as possible across the City. Consultation has been undertaken around the City Centre Shuttle Bus proposals.

Implications

Financial implications

46. The Bus Service Improvement Plan allocation to the City Council totals £17.36m over 3 years. This is broken down £10.665m capital funding and £6.695m revenue funding. The council also has a revenue budget of £704k that is used to support bus services. The 2023/24 council budget also included £100k one off funding “to incentivise the use of public transport locally to ensure the local bus network can be maintained”.
47. In 2022/23 there was revenue expenditure of £164k revenue and £243k capital expenditure.
48. All works set out in the report above are covered from these capital and revenue allocations, the majority of which is grant funded via competitive processes.
49. The external funding that will be utilised from the Bus Service Improvement Plan award is only available for the following two years up to 31/03/2025 and therefore cannot fund long term interventions beyond that time.
50. Total commitments regarding bus services outlined in the report have resulted in the budget being 90% committed on identified interventions. It is anticipated that there will be further commercial services withdrawn over the coming months and therefore further requests for intervention. This means that the council will have a choice over the length and breadth of support that can affordably be made.
51. The support will need close monitoring so that the council can make swift decisions to get best value for money from the budgets.
52. There may be further opportunities to transfer funds from other revenue support initiatives into bus support but that will reduce the value of such interventions.

Legal

53. The delivery of the BSIP through either an EP route or a franchise route is mandated by the Transport Act 2000. EP Plans and Schemes are statutory documents. The Bus Services Act 2017 incorporates a duty on local transport authorities to consult on EP Plans and EP Schemes into the Transport Act 2000.

Other – none if the required documents are submitted by the DfT's deadlines. Significant reputational risk if these are not submitted by the deadlines.

Risk Management

54. The minimal-risk option is to maintain the base network to support the delivery of the BSIP growth targets.

55. The economic state of the bus industry remains fragile with operators seeing increases in labour costs and fuel without a corresponding increase in fare revenue. This makes commercial services less viable increasing the risk that further services will be withdrawn. The council is not able (even with BSIP support) to support all such services and therefore will need to prioritise which services to support.

56. The BSIP funding is due to end on 31st March 2025 and therefore at that time significant public sector support to the industry will be withdrawn. If there is no additional funding identified, this will have a significant impact on bus services in the city at that time.

Annexes

Annex A - York Bus Service Summary

Background papers

Council approve 10-Year Plan (York 2032) [Agenda for Council on Thursday, 15 December 2022, 6.30 pm \(york.gov.uk\) item 36](#)

Executive approve Climate Change Strategy 2022-2032 [Agenda for Executive on Tuesday, 22 November 2022, 5.30 pm \(york.gov.uk\) item 46](#)

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Wards Affected: List wards or tick box to indicate all

All

Abbreviations:

BSIP – Bus Service Improvement Plan
BRG – Bus Recovery Grant
LTA – Local Transport Authorities
EP – Enhanced Partnership
DfT – Department for Transport

For further information please contact the author of the report