

Cabinet

1 March 2022

Bus Service Improvement Plan - Dorset's Enhanced Partnership Plan and Scheme

For Decision

Portfolio Holder: Cllr R Bryan, Highways, Travel and Environment

Local Councillor(s): All

Executive Director: J Sellgren, Executive Director of Place

Report Author: Sue McGowan
Title: Head of Dorset Travel
Tel: 01305 224487
Email: sue.mcgowan@dorsetcouncil.gov.uk

Report Status: Public

Recommendation:

That Cabinet approves the Dorset Enhanced Partnership and that the Plan and Scheme can be 'made' to commence the Enhanced Partnership on the 1st April 2022.

That Cabinet delegates decision making powers to the portfolio holder to approve the decisions of the Enhanced Partnership Board.

Reason for Recommendation:

In order to deliver the Council's Bus Service Improvement Plan a formal agreement must be in place between the Council and with all local bus service operators. Through engagement with local bus operators, the council has prepared a draft Enhanced Partnership Plan and Scheme to deliver the BSIP in accordance with requirements set out by the Department for Transport and in line with the Transport Act 2000 and any subsequent amendments. Cabinet approval is required to enable the council to 'make' the Enhanced Partnership and for it to be in place to commence on the 1st April 2022.

To be effective, the Enhanced Partnership Board will require decision making powers to ensure major decisions can be made in a timely manner to deliver the Plan and Scheme. The decisions taken by the Board shall have the effect of varying the Scheme using an Enhanced Partnership Scheme Variation mechanism to introduce new scheme content, amend existing content or revoke parts or all of a scheme.

1. Executive Summary

- 1.1 On Monday 15th March 2021, Government launched Bus Back Better, a new national bus strategy for England outside London. It aims to rejuvenate local bus services for passengers.
- 1.2 The government requires all Local Transport Authorities (LTAs) to develop a Bus Service Improvement Plan (BSIPs) and to set up an Enhanced Partnership, as defined in the Bus Services Act 2017, or to develop a fully franchised network, alongside their EP.
- 1.3 The BSIP was approved by Cabinet at its meeting of 7th September 2021. [Read the Bus Service Improvement Plan Approval report and Cabinet decision](#) (Item 66). On the 28th October 2021 the council published it's BSIP and submitted this to the Department for Transport. Read the [2021 Bus Service Improvement Plan](#).
- 1.4 The successful realisation of all BSIP themes, aims and objectives is reliant on funding coming forward through the BSIP process and from time to time any other formal funding allocations that may be directly awarded to the council or successfully bid for by the council and partner bus operators. At the time of submitting this report, the BSIP funding allocation is unknown, but an announcement is expected from the Department for Transport in February 2022.
- 1.5 The council has published a Notice of Intent to proceed with the development of an Enhanced Partnership. An Enhanced Partnership is the legal framework between the council and local bus operators to work together to improve local bus services for passengers. Creating an Enhanced Partnership does not however preclude the Council from considering franchising in the future.

2. Financial Implications

- 2.1 Delivering the objectives of the BSIP across the life of the Plan will require initial investment between 2022 and 2025 of £92 million with further

funding required beyond 2025. Dorset Council has made a bid to the Department for Transport for this funding, through the BSIP process.

- 2.2 The council has received two tranches of bus capacity grant funding from the Department for Transport totalling £257,306. The purpose of this grant is to support the council develop local bus proposals as outlined in the National Bus Strategy and to help towards the development of the Enhanced Partnership, and Bus Service Improvement Plan, and meet the timescales that go alongside that work. It is non-legally binding, as required in Section 31 grants.
- 2.3 The council has utilised the bus capacity funding to support the hiring of additional staff resources and contracting in consultancy support. One additional member of staff has been recruited to the Dorset Travel Public Transport team and the recruitment of an additional member of staff to the Transport Planning team in Highways is underway.
- 2.4 Consultancy firm WSP has been contracted by the council to provide technical support. As part of this work WSP have led engagement work with members, local stakeholders and the public to collect input and feedback that has directly helped to shape the future vision and priorities for the bus network in Dorset.
- 2.5 Further additional staff resources will be required to deliver the Bus Service Improvement Plan and revenue funding for these additional posts is included in the submitted BSIP funding ask.
- 2.6 Failing to introduce an Enhanced Partnership (except where the LTA has already started the statutory process to introduce franchising) will put at risk the council's government funding and will exclude bus operators from Bus Recovery Grant funding support.

3. Well-being and Health Implications

- 3.1 The Enhanced Partnership will deliver the objectives of the BSIP to improve health and well-being through better accessibility, reduced social isolation and support for people to maintain independent lives.

4. Climate implications

- 4.1 The Enhanced Partnership will be responsible for delivering the aspirations of the Bus Service Improvement Plan for reducing carbon emissions from transport.

- 4.2 The Enhanced Partnership and BSIP support the LTPs objective of reducing Dorset's carbon emissions through transport and the delivery of actions set out in the Council's Climate and Ecological Emergency Strategy to improve the quality and availability of public transport to make services more attractive to the travelling public.
- 4.3 The Enhanced Partnership and BSIP seek to achieve behaviour change and mode shift away from the private motor vehicle to bus travel. Evidence shows that reducing the number of cars on the road has the potential to lead to significant carbon emission reductions.
- 4.4 The BSIP includes a roadmap for moving to a zero-emission bus fleet and, subject to government funding, this will be delivered through the Enhanced Partnership.

5. Other Implications

- 5.1 The requirements for the preparation of an Enhanced Partnership Plan are set out in Section 138F of the Transport Act 2000.
- 5.2 Issuing a Statutory Notice of Intent to form an Enhanced Partnership has triggered secondary legislation under the Act requiring operators to disclose certain information, including commercial and operational data.

6. Risk Assessment

- 6.1 Having considered the risks associated with this decision, the level of risk has been identified as:
- Current Risk: Medium
 - Residual Risk: Medium
- 6.2 Having considered the risks associated with this decision using the Council's approved risk management methodology, it is the officer's opinion that there are no High risks that need to be reported.

7. Equalities Impact Assessment

- 7.1 An Equalities Impact Assessment has been prepared for the BSIP and Enhanced Partnership and has been submitted to the Diversity and Inclusion team. This can be viewed in Appendix C.
- 7.2 The assessment has found that there were no negative impacts on Dorset Council residents' protected characteristics.
- 7.3 The Equalities Impact Assessment report will be reviewed and updated on at least an annual basis in line with the programme for reviewing and updating the BSIP and EP.

8. Appendices

- 8.1 Appendix A – Draft Enhanced Partnership Plan and Scheme
- 8.2 Appendix B - Enhanced Partnerships and Franchising Technical Note
- 8.3 Appendix C - Equalities Impact Assessment

9. Background Papers

- 9.1 Cabinet decision made on 7th September 2021 to approve the scope of the outline BSIP and publish the BSIP by the end of October 2021. [Read the Bus Service Improvement Plan Approval report and Cabinet decision](#) (Item 66).
- 9.2 On the 28th October 2021 the council published its BSIP and submitted this to the Department for Transport. Read the [2021 Bus Service Improvement Plan](#).

10. Report

- 10.1 On Monday 15th March 2021, Government launched Bus Back Better, a new national bus strategy for England outside London. It aims to rejuvenate local bus services for passengers, making them:
 - attractive for passengers
 - cheaper
 - easier to understand and use

- faster and more reliable
 - greener
- 10.2 On the 28th October 2021 the council published its BSIP and submitted this to the Department for Transport. This BSIP is a strategic document which sets out the council's aspirations and a plan to transform bus services across Dorset.
- 10.3 The BSIP will be delivered through an Enhanced Partnership. This formal agreement requires the council and local bus operators to work more closely together to plan and deliver improvements to services and infrastructure. It is planned to have a Dorset Enhanced Partnership in place to begin in April 2022.

Scope of the Enhanced Partnership

- 10.4 There are two parts to an Enhanced Partnership. These are:
- a) The Enhanced Partnership Plan - sets out a summarised version of the BSIP, providing the background for the proposed local bus service improvements. It provides the high-level vision and objectives for bus services in the local area with the major sections of the plan setting out: the aims and objectives; supporting policies; a competition test that satisfies the Competition and Markets Authority that the Enhanced Partnership will not have adverse impacts on competition locally; the extent of the Enhanced Partnership; an overview of the bus network in Dorset; desired outcomes and planned interventions; and the plans for consulting users, passenger groups, and local stakeholders
 - b) The Enhanced Partnership Scheme - This sets out the precise detail of how the Plan vision and objectives will be achieved, including any commitments made by the council or responsibilities to be met by bus operators. The Scheme also details the governance structures and decision-making processes, and the bespoke variation mechanism which will be used to add further detail to the Scheme once government BSIP funding is made available.
- 10.5 The council has followed guidance issued by the Department for Transport to create an Enhanced Partnership Scheme 'shell' agreement. The agreement sets out how the Council and local bus operators will work together and allows specific Scheme details to be added at any point beyond 1st April 2022 once funding has been identified. This approach provides the greatest flexibility to allow the creation of an Enhanced Partnership to be in place by the 31st March 2022.

10.6 The delivery of our BSIP proposals through the Enhanced Partnership are subject to the funding being made available by the Department for Transport. A funding announcement is expected to be made by the Department for Transport by the end of February 2022. Between February and the Enhanced Partnership start date there will be time to consider the implications of the funding outcome and consult users / operators / members / stakeholders on how to prioritise based on the funding the council receive. The outcomes of this consultation can then form the basis of changes to the Enhanced Partnership Scheme using the bespoke mechanism from the date the Partnership is effective and would be one of the first actions of the Board.

Enhanced Partnership Consultation

10.7 To create an Enhanced Partnership, the council, working closely with bus operators and the community transport sector, has prepared a draft document containing the Enhanced Partnership Plan and Scheme. These must be consulted on without objection through two consultation exercises before the Enhanced Partnership can be legally 'made'.

10.8 Following preparation of the draft Enhanced Partnership Plan and Scheme and notification to operators of that fact, the council invited operators to raise any formal objection to the proposals during a 28-day operator objection period. The operator objection period ran from the 16th December 2021 until the 19th January 2022. Having been engaged at an early stage, and having already reached a consensus view on the Plan and Scheme 'shell' agreement, no formal objections were made by local bus operators.

10.9 Following the successful operator objection period, the council is required to consult a number of statutory consultees. Section 5.3 of the Bus Services Act 2017 (Enhanced Partnerships Guidance) lists several organisations that the Council are required to seek the views of regarding the content of the draft Enhanced Partnership Plan and Scheme. This includes:

- a) All operators of local bus services
- b) Organisations that represent local passengers
- c) Other local authorities that would be affected by the proposals
- d) The Traffic Commissioners
- e) The Chief Officer of Police
- f) Transport Focus

g) The Competition and Markets Authority (CMA)

10.10 In addition to the statutory consultees listed above, the council chose to invite a wider group of local stakeholders who have been engaged throughout the development of the BSIP. This included:

a) Community transport operators

b) Train operating companies, community rail partnerships and Network Rail

c) Town and Parish Councils

d) Disability and equality groups

e) Health, Business and Tourism sectors

f) Other local interest groups

10.11 The public were not invited to take part in the consultation. Due to the technical nature of the Plan and Scheme being consulted on and the proximity to the recently completed public consultation on the BSIP, it was deemed unlikely to add value at this time. Future engagement and consultation on the BSIP and Enhanced Partnership are planned as part of an ongoing process to ensure that the views of current bus users and non-users are fully taken into account and have an important role in shaping future priorities and highlighting local issues.

10.12 The Enhanced Partnership statutory consultation opened on Monday 24th January 2022 and ran until Monday 21st February 2022. The consultation was run online at <https://www.dorsetcouncil.gov.uk/enhanced-partnership-plan-and-scheme> using the snap survey tool, with additional options for consultees to respond by downloading the paper form or replying by post or email. The survey responses are being analysed and will be responded to in a published consultation report.

Enhanced Partnership Governance

10.13 Section 5 of the Enhanced Partnership Scheme details the governance structures and decision-making processes.

10.14 The Enhanced Partnership Board will oversee the delivery of the Plan and Scheme. The Board will take decisions on recommendations put to it by the Forum, and other issues identified as being relevant to partnership delivery. Decisions taken by the Board shall have the effect of varying the Scheme using an Enhanced Partnership Scheme Variation mechanism.

- 10.15 The Board will be chaired by the Cabinet Member for Highways, Travel and Environment. This ensures that major decisions can be made in a timely manner and effective delivery of the EP Plan and Scheme can be achieved.
- 10.16 The Board membership will include: three council Heads of Service for Dorset Travel, Highways and Planning; four operator representatives including large, medium and small operators; and one Community Transport operator.
- 10.17 The Board will meet quarterly with additional meetings at the discretion of the Chair.
- 10.18 The Board is supported in its decision making by the Enhanced Partnership Forum. The Forum will act as an advisory group bringing forward ideas, building consensus, and feeding recommendations up to the Board. Recommendations shall be put to the Board when a minimum of 75% of voting members vote in favour of the recommendation being submitted.
- 10.19 The core membership of the Forum will comprise:
- a) All bus operators running qualifying Bus Services in Dorset
 - b) All Community Transport Operators in Dorset
 - c) Dorset Council (Officers from the Dorset Travel, Highways, and Planning, and other services as required e.g. procurement, legal, communications, transformation, economic development etc.)
 - d) All neighbouring authorities including BCP, Devon, Hampshire, Somerset and Wiltshire.
 - e) Rail operators in Dorset and Network Rail
 - f) Express Coach Operators
 - g) And the Chair of the Bus User and Stakeholder Group
- 10.20 Other groups/stakeholders could be invited to join the Forum, this could include, but is not limited to:
- a) Western Gateway Sub-National Transport Body
 - b) Dorset LEP
 - c) BIDS

d) NHS / CCG

e) Police and other emergency services

10.21 The Forum may create working groups or special interest groups. These groups shall have a particular task or focus and will develop more detailed proposals to then be put forward to a Forum vote.

10.22 The Forum Chair and Co-Chair will be appointed on a one-year term by majority vote at the Forum AGM. The Forum will meet quarterly with additional meetings at the discretion of the Chair.

10.23 We plan to regularly engage with bus users, passenger groups and interested stakeholders on how well The Plan and The Scheme are working by creating a Bus User and Stakeholder (BUS) group. Creating the BUS group will enable continuous ongoing engagement and create a forum to report the views of passengers and local groups on the performance of the local bus network and inform the future development of the BSIP and Enhanced Partnership.

10.24 The BUS group will provide insight and ideas on how to improve bus services. In turn this will help revise and reshape the priorities over time and ensure a continued focus on addressing bus user's needs.

10.25 The group's membership will include but is not limited to:

a) Passenger groups and Transport Action groups

b) Business groups

c) Disability and access groups

d) Voluntary and community groups

e) Education, tourism and health sectors

f) And any other interest groups as appropriate

10.26 The BUS Group will meet twice a year at key BSIP review and refresh points to provide input and advice.

10.27 The BUS Group will be chaired by the Cabinet Lead Member for Environment, Travel and Harbours. The BUS Group Chair will sit on the Enhanced Partnership Forum to ensure that the views of passengers, the wider public and local groups can be regularly fed into the Forum to consider and propose recommendations on how issues can be addressed through the Enhanced Partnership Scheme.

- 10.28 Once the Scheme is made, it will be reviewed by The Board every six months following publication of data on progress towards targets, as required by the BSIP. This will ensure any necessary action is taken to deliver the targets set out in the BSIP and Enhanced Partnership. The Board can also decide to review specific elements of the scheme on an ad-hoc basis.
- 10.29 There will be oversight of the Enhanced Partnership from the Dorset Council Cabinet, and the Place and Resources Scrutiny Committee.

Arrangements for Varying or Revoking the Enhanced Partnership Scheme

- 10.30 Once a plan and scheme have been legally 'made' there is nothing to prevent the partnership from varying it - particularly if this is in response to changes required to implement an updated BSIP. The Enhanced Partnership legislation, using the powers under the Transport Act 2000, includes flexibility to introduce new scheme content, amend existing content or revoke parts or all of a scheme using bespoke arrangements.
- 10.31 The bespoke variation mechanism described in Section 5 of the Enhanced Partnership Scheme, sets out the process by which the Scheme 'shell' agreement will be updated, and greater detail will be added. This is an important mechanism which enables the partnership to develop the Scheme as the position on funding and post-covid recovery becomes clearer.
- 10.32 Decisions taken by a vote of the Board will have the effect of varying the scheme. The Board should reach a consensus and therefore variations must be voted for unanimously. The Council will have power of veto in areas such as breaches of statutory duties, where the financial level of variation to proposed funding exceeds £50,000, and to ensure fair competition within the bus industry.
- 10.33 Once the Plan and Scheme have been 'made' and become legally binding, and funding has been announced by the Department for Transport, the Enhanced Partnership will be able to begin implementing actions using this process. It is therefore recommended to legally 'make' the Plan and Scheme by the 1st April 2022 to enable the Partnership to move forward with the programme.

Footnote:

Issues relating to financial, legal, environmental, economic and equalities implications have been considered and any information relevant to the decision is included within the report.