



## **CABINET – 19 DECEMBER 2023**

### **IMPROVING PASSENGER TRANSPORT THROUGH BUS SERVICE IMPROVEMENT PLAN PLUS AND NETWORK NORTH FUNDING**

#### **REPORT OF THE DIRECTOR OF ENVIRONMENT AND TRANSPORT**

#### **PART A**

##### **Purpose of the Report**

1. The purpose of this report is to advise the Cabinet regarding the award of grant funding to the County Council for passenger transport services, to set out an approach to using these funds, and to present a revised Passenger Transport Policy and Strategy to support this.

##### **Recommendations**

2. It is recommended:
  - a) That the revised Passenger Transport Policy and Strategy (PTPS), attached to this report as Appendices A and B, be approved;
  - b) That the Director of Environment and Transport be authorised:
    - i. to use the Bus Service Improvement Plan (BSIP+) grant of £1,790,000 for 2023/24 and £1,790,000 for 2024/25 and additional £4,050,000 one-off revenue funding for 2024/25 from the Department for Transport detailed in this report to develop a reshaped Leicestershire supported passenger transport network, including working with transport operators through the Enhanced Partnership;
    - ii. following consultation with the Cabinet Lead Member, to amend the PTPS as necessary with regard to the mechanism for determining support for passenger transport services to reflect prevailing market forces.

##### **Reasons for Recommendation**

3. The recent funding awards from the Government provide a unique opportunity to explore how the Council, working closely with local bus operators through its Enhanced Partnership (EP) with them, might take a different approach to

providing supported passenger transport services across Leicestershire and, therefore, enable a more resilient and secure commercial network.

4. The revised PTPS would enable the Council to take a more flexible approach to help support communities and their high priority journey needs through efficient use of its budgets and utilising the commercial bus market through the EP to maximise a sustainable service offer to passengers and help stabilise the commercial market.
5. Given the Council's very challenging financial position, controls are required to ensure that it is not exposed to any new financial risks. The revised PTPS would also reinforce the mitigation of risks to the Council's own budgets, caused by fluctuations and uncertainty in levels of future Government funding for passenger transport services, by setting out a revised mechanism for determining the strength of case for consideration of providing support for services.

### **Timetable for Decisions (including Scrutiny)**

6. The Highways and Transport Overview and Scrutiny Committee was provided with a presentation on 9 November 2023 which outlined the intentions of the revised PTPS in the context of a wider passenger transport programme and current funding situation. The Committee's views are included at paragraphs 74-76 of this report.
7. The EP was informed of the intention to revise the PTPS and provided with an overview of the main areas of change at its Forum on 21 September 2023 and its Board on 2 November 2023.
8. A briefing was given to all Council Members on 31 October 2023, updating them on the Government funding awards, providing examples of how they might be used to support public transport in Leicestershire and outlining the intentions to refresh the PTPS to better align with national policy.
9. Subject to the Cabinet's approval of the revised PTPS, a review of services will begin in January 2024. Following this, a programme of locally focussed engagement on the outcomes of the service reviews will be developed following consultation with the Cabinet Lead Member.

### **Policy Framework and Previous Decisions**

10. On 9 March 2018, the Cabinet considered a report concerning the need to develop a PTPS to replace the existing 'Revised Policy on the Supported Bus Network' and the outcome of a review of Community Bus Partnerships and the extension of contracts to June 2019. The Cabinet gave approval to undertake an engagement and consultation exercise on the draft PTPS.
11. On 16 October 2018, the Cabinet considered a report on the outcome of consultation on the draft PTPS and approved the PTPS as the basis for future management of passenger transport services. Authorisation was also given to

the Director of Environment and Transport, following consultation with the Cabinet Lead Member, to implement the PTPS Operational Handbook.

12. The County Council's Environment Strategy 2018-2023 sets out how the Council will reduce the environmental impacts of travel and transport. Providing frequent, high quality passenger transport services is a key element in delivering the Strategy.
13. In November 2020, the Cabinet approved the Leicester and Leicestershire Strategic Transport Priorities document (2020-2050), highlighting where the County and City Councils will work together to deliver common transport aims and objectives. Its principal aims include supporting the transition to a low-carbon and circular economy; adapting to climate change; improving connectivity; supporting and driving the economy to unlock growth; and supporting the efficient movement of both people and goods around and through the County.
14. In March 2021, the Government published its priorities and ambitions for road-based passenger transport in the Department for Transport's (DfT) publication, "Bus Back Better: national bus strategy for England." This required the Council to establish the EP with operators as a condition to receiving future funding. It also required the Council to develop the Bus Service Improvement Plan (BSIP) which sets out the vision, targets and initiatives to improve passenger transport in Leicestershire.
15. In June 2021, the Cabinet considered a report on the National Bus Strategy (NBS) and noted that a further report would be submitted to the Cabinet in Autumn 2021, setting out proposals for an Enhanced Partnership Scheme (EPS) and BSIP for Leicestershire, and identifying any implications for the Council's previously adopted PTPS.
16. In October 2021, the Cabinet considered a report on the implementation of the NBS, setting out the implications for finances and the Council's adopted PTPS. It resolved that the Council's PTPS be reviewed, to take account of the formal establishment of the EP and the delivery of the BSIP. The Director of Environment and Transport emphasised that the extent of delivery of the ambitious plans would be dependent on the level of Government funding available and added that the existing PTPS would be used to assess the need for support where bus services were no longer commercially viable.
17. In March 2022, the Cabinet noted the outcome of a consultation on the EPS. It approved the establishment of the EPS with bus service operators and resolved that registrations for local bus service changes and requests for funding to support local bus services continue to be assessed in line with the PTPS, pending a review of the PTPS once the EP was in place.
18. In March 2022, the Cabinet also considered a report on Local Bus Service Challenges and Impacts, including a review of the PTPS to establish if it was still fit for purpose, and a wider network review of its contracted services. The BSIP set out that the PTPS would be reviewed in full, once the BSIP and EPS

had been developed, to ensure that full alignment was achieved. This review was undertaken in May 2022. The Cabinet authorised the Director of Environment and Transport, following consultation with the Cabinet Lead Member, and Director of Corporate Resources, to take such action as necessary to ensure the continued provision of services in line with the PTPS.

19. In February 2023, the Cabinet noted the recommencement of the review of supported passenger transport services in line with the PTPS. The Cabinet also approved a proposed programme of local focussed engagement and consultation to inform affected communities on the review outcomes and intended course of action. However, in light of the BSIP+ funding awards, the reviews were further delayed.
20. In May 2023, the DfT announced that the Council would receive approximately £1,790,000 in the financial year 2023/24 and the same amount in 2024/25. This funding is known as “BSIP+” funding. Following this announcement, the review of subsidised services was halted again and services were maintained at their existing level.
21. In October 2023, the DfT announced further one-off revenue funding of £4,050,000, specific for public transport for the financial year 2024/25. This funding represents a share of the Government saving made from cancelling the second leg of HS2 and the redistribution of those monies as set out in the associated ‘Network North’ funding document.

### **Resource Implications**

22. The time-limited funding available to the Council provides an unprecedented and one-off opportunity to transform the Leicestershire subsidised public transport network and enhance the resilience and stability of the commercial public transport network. However, the short-term nature of the funding is not helpful and the Council will need to ensure that there are no legacy costs once the funding ends. Development of the network and associated initiatives will be a significant undertaking for the Department, in particular, for the Network Management Service. A Passenger Transport Programme Board has been established, supported by the Council’s Transformation Unit in conjunction with the service, to manage and deliver holistic changes through a range of initiatives, of which the potential network remodelling and review of the PTPS are a part.
23. It is anticipated that additional resource and expertise will be required to deliver the initiatives and any reshaped network proposals and these will be funded through the BSIP+ and ‘Network North’ funding as necessary.
24. In February 2023, prior to the recent funding announcements from the DfT, the Council’s subsidised bus services budget was facing a £1,000,000 shortfall in the 2023/24 financial year. There was also a requirement in the 2023-27 Medium Term Financial Strategy (MTFS) to make savings of an additional £200,000 per year with effect from 2024/25.

25. As outlined in paragraph 34 below, the BSIP+ funding is subject to a number of terms and conditions, with the 'Network North' public transport funding anticipated to come under the same restrictions. One of these conditions stipulated that recipients must retain existing funding levels for the duration of the funding, i.e., 2023-2025, and therefore necessary to defer the £200,000 MTFS saving requirement to 2025/26. The £1,000,000 shortfall, although covered by the funding for 2023-2025, must still be addressed in the long-term, as it is not part of the existing budget levels.
26. It must be noted, however, that funding post-2024/25 is still uncertain. If sufficient Government funding of an appropriate mix of capital and revenue is not forthcoming, the Council's passenger transport budget could face significant funding challenges, as was reported to the Cabinet in February 2023. It is crucial, therefore, that the revised PTPS allows for a flexible approach to supporting services to reflect the prevailing funding position.
27. It is also critical to note that the proposed network remodelling and PTPS are not mechanisms to reinstate services that have already ceased.
28. The Director of Corporate Resources has been consulted on the content of this report.

### **Legal Implications**

29. The Council's legal duty regarding subsidised bus services is set out in Part B of the report.
30. The Director of Law and Governance has been consulted on the content of this report.

### **Circulation under the Local Issues Alert Procedure**

31. This report will be circulated to all members.

### **Officers to Contact**

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## **PART B**

### **Background**

#### **Government priorities and funding**

32. The Government's priorities and ambitions for road-based passenger transport are set out in the DfT 2021 publication, "Bus Back Better: national bus strategy for England". This required the Council to establish the EP with operators as a condition to receiving future funding. It also required the Council to develop the BSIP which sets out the vision, targets and initiatives to improve passenger transport in Leicestershire.
33. The two tranches of £1,790,000 BSIP+ funding that the Council has been allocated (as outlined in paragraph 20) is intended to target actions that the Council and its EP expect will deliver the best overall outcomes in growing long-term patronage, revenues and thus maintaining service levels, whilst providing essential social and economic connectivity for local communities.
34. The terms of this funding were set out in a Memorandum of Understanding that the Council was required to sign in order for the funds to be released. Specific terms to note are that this is revenue-based funding (not to be spent on physical infrastructure measures); the Council must maintain its existing bus budgets from all sources and demonstrate that the BSIP+ funding is additional to previously agreed budgets and that the DfT expects it to be spent within a reasonable timeframe with outputs delivered within 12 months of receipt. There may be flexibility around some of these terms, but this would be subject to the submission of a project access request form by the Council and its subsequent review and approval by the DfT.
35. The further one-off £4,050,000 'Network North' public transport funding for 2024/25 (as outlined in paragraph 21) will be subject to the same terms and conditions as those set for the BSIP+ funding. This means there is a total of £5,840,000 for the 2024/25 financial year. Further four-year funding announcements are expected over the coming months and this is expected to be a mix of capital and revenue, which could provide an opportunity to carry out improvement schemes that may not be eligible under the current funding restrictions. The exact funding profile and mix is not yet known.

#### **The PTPS**

36. The context within which the PTPS has operated has changed significantly several times since its first adoption in 2018. Factors include the drop in bus usage during the Covid-19 pandemic and journey numbers not fully recovering since then; changing levels of grant funding; the publication of the NBS, with its requirement for authorities to establish EPs and BSIPs; and the Council's increasing MTFS pressures. Therefore, the review of supported passenger transport services that commenced with the adoption of the PTPS in 2018 was delayed.

37. The review of supported passenger transport services in line with the PTPS recommenced in February 2023 working to a set programme of locally focussed engagement and consultation to inform affected communities on the review outcomes and intended course of action. However, in light of the BSIP+ funding awards the reviews were further delayed.
38. A review of the PTPS was commissioned in September 2023, to provide a flexible approach to supported passenger transport services, within the current funding from the DfT and the uncertainty of future funding post-2024/25. The proposed revisions aim to help support communities and their high priority journey needs through the efficient use of its budgets and utilising the commercial bus market (through the EP) to maximise a sustainable service offer for passengers and help stabilise the commercial market. It will be a core tool for informing and implementing changes as part of a redesigned network.

### Adoption of the PTPS

39. The PTPS was adopted in October 2018, following a countywide online and face-to-face public and stakeholder consultation, which was undertaken between 21 March and 13 June 2018.
40. The adoption of the PTPS put in place a clear and transparent approach through which the Council would continue to provide value for money financial support to passenger transport services (unlike some authorities elsewhere in the country which have withdrawn support entirely) while endeavouring to ensure that Leicestershire residents have access to important services and facilities (such as primary health care, food shopping). Priority was given to trying to ensure that as many Leicestershire residents as possible were able to reach a local centre at least once per week to access these important services.
41. The adoption of the Strategy also provided the Council with a mandate to review each of its supported local bus services against the objective PTPS assessment system, engage on the intended course of action for each service and implement the changes to ensure that the services provided were fit for purpose and were achieving best possible value for money.
42. The Strategy considered support for services between 07:00 hours and 19:00 hours Monday to Friday and between 08:00 hours and 18:00 hours on Saturday. There were three indicators under the PTPS that services were to be assessed against to determine the strength of case for consideration of subsidy support:
- a) Net subsidy cost per passenger per kilometre.
  - b) Number of Leicestershire residents within the bus service's catchment area who do not have access to another direct service to a local centre by other means (for example, a commercial bus or train service stopping within 800 metres of their home), and who are not within reasonable walking distance (800 metres) of a local centre.
  - c) Journey purposes served.

43. The Cabinet, at its meeting in February 2023, approved engagement with communities on the outcomes of the service reviews and approved the Director of Environment and Transport's delegated powers to implement the changes following consultation with the Cabinet Lead Member.

#### Activity since the February 2023 Cabinet meeting

44. In May 2023, when engagement with communities was about to begin on the outcome of the reviews, the DfT announced a second round of BSIP funding (known as BSIP+). The Council was allocated approximately £1,790,000 revenue funds for the financial year 2023/24, with the same amount to follow in 2024/25. The funding was aimed at sustaining services for the duration of the funding and making improvements to continue sustainability beyond 2024/25.
45. Following this funding announcement, the review of services against the PTPS was once again halted with the continuation of support to existing subsidised services in the short-term due to this funding. It was made clear that this would not mean the reinstatement of commercial services that had already been withdrawn.
46. As more detail was received from the DfT about the terms and conditions on the use of this funding, it was felt necessary to carry out a light-touch revision of the PTPS to ensure that it could better adapt to fluctuating funding levels, the changing passenger transport landscape, and ensure continued value for money, whilst appropriately aligning with the Government's NBS. In addition, the funding allowed for the consideration of other initiatives that could improve services and underpin the ambitions of the Council's BSIP.
47. The review and update of the PTPS began in September 2023. In October 2023, further one-off funding was announced by the DfT as part of its 'Network North' commitment to improve connectivity in the North and Midlands using the funding saved from the second leg of HS2. The Council was awarded a further £4,050,000 for the financial year 2024/25, in addition to the £1,790,000 already allocated from BSIP+. The project to update the PTPS continued, as it was felt that the principles of a flexible approach to subsidised services was still, if not more, necessary given the uncertainty around future funding. Whilst needing to be mindful of the terms and conditions of this funding, most notably the requirement to spend within a reasonable timeframe and outputs needing to be realised within 12 months of funding receipt, this additional funding does allow for an even more transformational approach to passenger transport to be considered, hence the proposal in this report to reshape Leicestershire's passenger transport network.

#### Proposals for using the available funding

48. The combined BSIP+ and 'Network North' funding will enable the Council to:
- a) Complete a refresh of the BSIP.
  - b) Assist operators to stabilise and strengthen the commercial network.



- c) Work with operators to review and reshape the passenger transport network (both commercial and supported) across Leicestershire and enhance access to opportunities for people.
  - d) Work with operators to trial discounted travel for younger people.
  - e) Work with operators to standardise youth fares.
  - f) Explore and develop appropriate ticketing schemes, for example, multi-operator / tap on tap off with operators.
  - g) Develop rail interchange marketing and information.
  - h) Explore the feasibility of using Digital Demand Responsive Transport (DDRT) and to connect at more hubs across the county enabling greater connectivity and journey choice.
  - i) Develop scheme designs for identified pinch points for buses on Leicestershire highway network in preparation for potential award of capital grants in future years.
  - j) Work with operators to support the adoption of electric vehicles and other greener technologies.
  - k) Develop a Leicestershire buses branding.
  - l) Procure a contract management system and introduce a data portal to increase efficiency and improve data accuracy.
  - m) Maintain the current Park and Ride provision.
  - n) Seek appropriate specialist resource and advice where appropriate including financial, procurement, and legal.
49. As part of this funding boost, the Council is also in a position to consider a different approach to the supported bus service network. This would involve working with operators directly and through the EP to redesign a passenger transport network for Leicestershire based around existing commercial services and providing more direct, attractive routes by bus and making better use of Flexibus models and DDRT similar to Fox Connect, providing services to more communities. Consideration could also be given to enhancing existing commercial services where appropriate, such as longer operating hours to facilitate shift work at a major employment centres. In addition, officers would seek to extend the current Park and Ride contract to enable a full procurement exercise.
50. The Council would then tender contracts for the services that are not provided commercially on a longer-term basis (five years plus) than has been possible over recent years with the short-term, uncertain nature of funding.
51. The benefits of this approach are expected to be:
- a) Alignment with the NBS.
  - b) Increased stability and sustainability of the local commercial network.
  - c) Enhanced viability of supported passenger transport network with greater commercial potential.
  - d) Greater access to public transport in Leicestershire as well as improved journey choice.
  - e) Better value for money for the investment in passenger transport services.
  - f) Ability to provide operators with greater confidence to invest in new vehicle stock (bringing environmental benefits).

52. However, there are risks associated with this approach. Firstly, the continuation of funding from April 2025 by the DfT is subject to confirmation. Indications are that a £850,000,000 pot is available for the four years immediately after the current allocations; however, this has still to be confirmed as has the funding profile for each authority. It is therefore possible that considerable resources are committed to redesigning the network and putting it in place but that this would have to be removed without future funding and reductions in service to the 'core offer', as set out in the revised PTPS, would have to be implemented.
53. Secondly, the use of the 'Network North' funding to let longer-term contracts will be subject to approval from the DfT. Details of the plans for the network will be submitted for approval at the earliest opportunity to mitigate this risk. Given the DfT's requirements that outputs are delivered within 12 months, it will also be important to demonstrate good progress; therefore, engagement with operators will start in January 2024, subject to approval by the Cabinet.
54. Thirdly, the approach is ambitious and requires considerably more resource both from the Council and from operators. Prior to BSIP+ the assumption has been that investment from the Council in local passenger transport services would decrease; as such, it may take time and considerable investment to build up the availability of vehicles, drivers or other requirements needed to deliver a new passenger transport network. Council officers will work with partners to better understand these challenges through the EP and consider any relevant factors in designing and procuring services.
55. This approach would be feasible under the new PTPS proposed as part of this report.

#### Proposed PTPS revisions

56. The revised draft PTPS is attached at Appendices A and B.
57. The revised PTPS will provide the framework to allow for a more flexible and creative approach to supporting passenger transport services. This includes services that are not the traditional scheduled, fixed-route bus service, such as Demand Responsive Transport (DRT) and DDRT. The revised PTPS allows a more flexible approach to supporting services that are either marginally commercial or would be withdrawn, whilst steps are taken to return the service to being commercially viable.
58. It will allow the Council to do more, where affordable, and to prioritise spend when funding is reduced.
59. It is recognised that the way services are assessed in determining whether to provide subsidy or change from a local fixed timetable bus to a DRT service, needs to be clear and understandable. The revised PTPS provides this by setting out a clear scoring mechanism, enabling the Council to do things differently, to make more efficient use of available funding and service provision

options. Decisions will be based on using the mechanism set out in the PTPS, with a view to mitigating risk in consideration of available funding.

#### The current PTPS assessment criteria

60. The current approach has a strong focus on local centre accessibility and support is generally not provided if alternative access to a local centre and essential services such as food shopping and healthcare is available, whether that might be the preferred destination of choice to communities.
61. The strength of case for support of a service is based on a scoring system which is calculated using three key indicators listed in table 1 below.

Table 1: The current criteria and scoring

<b>Indicator</b>	<b>Score</b>
<b>Net subsidy cost per passenger per kilometre</b> (Higher the cost the lower the score is)	0-20
<b>Accessibility</b> Leicestershire residents within the service's catchment area who do not have access to another direct service to a local centre by other means (for example, commercial bus or rail service) and who are not within reasonable walking distance (800 metres) of a local centre. (Higher the number of residents the higher the score is)	0-10
<b>Journey purpose</b> (Higher score given based on number of high priority purposes served, for example, primary health care, food shopping)	0-5

62. The service is given an overall score on which the case for support is determined.

Table 2: Case-for-support rating

<b>Overall service score</b>	<b>Case-for-support rating</b>
25 or more	Strong
20-24	Marginal
<20	Weak

#### The revised PTPS assessment process

63. The proposed revised PTPS assessment process will also enable requests for marginal support, potentially through de-minimis arrangements, to be assessed in a more transparent way (de minimis refers to award of small amounts of bus subsidy without tender, as allowed by bus service tendering rules set out in Government regulations. This is especially valuable where a variation or

addition to an otherwise commercial service is the most effective way of meeting a particular need). This includes requiring key service data to be provided by the operator and targets set to review performance with a view to the service requiring less subsidy and ultimately aiming to return to full commerciality. It will also focus on access to opportunities (facilities) as opposed to journey purpose. Services to be considered for subsidy support would go through the process set out in table 3 below.

Table 3: Assessment process

Step	Activity
Request is made	<ul style="list-style-type: none"> <li>• Operator approaches the Council prior to bus services registration process.</li> <li>• Data is provided that supports the request - evidence of viability issues, subsidy required, patronage etc.</li> </ul>
Assessment	<ul style="list-style-type: none"> <li>• The service is initially assessed on basis of the cost per passenger per kilometre indicator (17-20: strong, 15-16: marginal and under 15: weak).</li> <li>• If affordable, strong services will proceed as below, but marginal/weak will require full assessment.</li> </ul>
Conditions and targets	<ul style="list-style-type: none"> <li>• The Council and operators agree performance targets aiming at reduction in de-minimis subsidy – service to be reviewed against these targets.</li> <li>• Failure to meet these targets will mean the service is assessed and ranked in line with main criteria scoring.</li> <li>• Through liaison with the operator, the Council will set out in clear terms the conditional nature of support.</li> </ul>
Review	<ul style="list-style-type: none"> <li>• Service is reviewed in line with targets set and future funding decision is based on this.</li> </ul>

64. The proposed criteria and scoring are shown in table 4 below. In addition to updating costs metrics to reflect inflation, a key change in the revised PTPS scoring mechanism is in regard to the key indicator that now measures access to opportunities, meaning access to settlements that have high priority services and facilities, such as, primary health care, employment, education and food shopping. This is as opposed to measuring journey purpose.

Table 4: the proposed criteria and scoring

<b>Indicator</b>	<b>Score</b>
<b>Net subsidy cost per passenger per kilometre</b> (Higher the cost the lower the score is)	0-20
<b>Accessibility</b> number of Leicestershire residents within the services catchment area who do not have access to another service and are not within reasonable walking distance (800 meters) of a large settlement centre. (Higher the number of residents the higher the score is)	0-10
<b>Access to opportunities</b> (See paragraph 66 and table 7)	0-5

65. The overall scoring mechanism indicating the overall strength of case for support has also been updated to differentiate and reflect the potential for support under de minimis arrangements (table 5 below). The comparison of scoring for fully supported and de minimis services is also outlined in table 6 below.

Table 5: Proposed case-for-support rating

<b>Case-for-support rating</b>	<b>Overall service score</b>	
	<b>Supported services score out of 35</b>	<b>De-minimis score out of 20</b>
Strong	25 or more	17 or more
Marginal	20-24	15-16
Weak	<20	<15

Table 6: Proposed scoring mechanism for fully supported service or de minimis

<b>Indicator</b>	<b>Fully supported bus service</b>	<b>De minimis bus service</b>
Cost per passenger per kilometre	0-20	0-20
Access to an alternative bus / rail service	0-10	-
Access to opportunities	0-5	-
Overall score	Out of 35	Out of 20

#### Access to opportunities

66. Assessment criteria have been developed to measure access to opportunities, making the best use of available data. This metric enables more meaningful value to be attributed to the range of high priority services and facilities accessed by communities. The criteria are set out in table 7 below. The previous assessment of journey purpose was very resource heavy as it involved manual surveys of passengers, was difficult to achieve within the timescales of the registration process and was not always fully representative.

Table 7: Evaluating access to opportunities

Indicator	Value range	Score
(as measured by the relative size of the destinations served by the service, reflecting the availability of a range of facilities and services)	Provides access to a city plus at least one large settlement.	5
	Provides access to at least two large settlements.	4
	Provides access to at least one large settlement.	3
	Provides access to at least two medium settlements.	2
	Provides access to at least one medium settlement.	1
	Provides access to at least one small settlement.	0

#### Core offer

67. The Strategy retains clear guidance on the 'core offer' that the Council would use in times of low funding. Without funding from external sources, the 'core offer' would be full or partial support in the form of:
- a) A scheduled bus within the Council's budgetary constraints; or
  - b) Replacing buses with basic taxi-type DRT services where scheduled services are not affordable or deemed not to offer value for money.
68. When additional external funding is available, such as BSIP+ or Section 106, the Council may implement an enhanced offer including the potential for:
- a) Trialling and or implementing some of the more flexible means of service provision, such as new operating zones for the FoxConnect DDRT, new 'Flexibus' services or enhanced taxi type DRT;
  - b) Awarding short-term support in response to new de minimis requests from operators with a view to assisting borderline commercial services to return to commercial viability;
  - c) Ticketing, fares, marketing and promotional projects through the Council's EP;
  - d) Zero emission initiatives.
69. Any 'enhanced' service provision supported with external funding will be reviewed at the end of the funding period and considered for ongoing support in

relation to other 'core' service provision, subject to staying within the Council's budgetary constraints.

### **Legal Duty**

70. A revised PTPS would support the Council's responsibilities as the Local Transport Authority. The County Council has a statutory duty<sup>2</sup> to secure the provision of local transport solutions which the private sector is unable or unwilling to provide. The Council also has other statutory duties which touch upon the provision of public transport<sup>2</sup>. However, the Council's duty under the Transport Act 1985 is not absolute. Rather the duty simply requires transport provision so far as the Council considers it appropriate to meet any public transport requirements which would not otherwise be met.
71. Section 109(1) of the Transport Act 2000 requires transport authorities to keep their local transport plan under review and alter it if they consider it appropriate to do so.
72. Furthermore, as a "best value authority", the Council is under a statutory duty<sup>3</sup> to secure continuous improvement in the way in which it exercises its functions, having regard to a combination of factors, including economy, efficiency and effectiveness.

### **Consultation**

73. Engagement took place with the Highways and Transport Overview and Scrutiny Committee, with all Council Members and with the EP, as well as seeking advice from the DfT Relationship Officer.

### **Comments of the Highways and Transport Overview and Scrutiny Committee**

74. On 9 November 2023, the Highways and Transport Overview and Scrutiny Committee considered a presentation which gave an update on the opportunities afforded by the funding announcements for the Leicestershire passenger transport network, including the work undertaken to refresh the PTPS.
75. The funding was welcomed by the Committee, but disappointment was expressed by members at the timescale within which it was to be used.
76. The Committee was keen to ensure that operators' engagement around service changes was improved and that partnership working would be strengthened. It was suggested that this could include rail ticketing to offer a more integrated service. It was felt that, although an excellent offer, more consideration needed

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<sup>2</sup> Section 63(1)(a) of the Transport act 1985.

<sup>2</sup> Road Traffic Reduction Act 1997 (duty to prepare reports setting out targets to reduce congestion); Road Traffic Regulation Act 1997 (duty to exercise functions to secure the expeditious, convenient, and safe movement of traffic) & Transport Act 2000 (duty to produce a local transport plan).

<sup>3</sup> Section 3(1) of the Local Government Act 1999.

to be given to the accessibility of DRT/DDRT and the applications operators used.

### Further engagement

77. Subject to the Cabinet's approval of the recommendations, full engagement will be planned throughout the network redesign and implementation of service changes through the PTPS. This will include passengers, non-passengers, the EP, individual operators, the DfT and other stakeholders. It will also involve a comprehensive review of the Equality Impact Assessment (EIA) along with engagement with special interest groups or representatives of people with protected characteristics.

### Conclusion

78. The funding from the DfT for the financial years 2023/24 and 2024/25 provides a unique opportunity to make real improvements to the passenger transport network and services over the next two years. The position after this funded period is less certain and it is, therefore, necessary to ensure that the Council is in a position to adapt its support to services according to the prevailing budget situation.
79. The proposed revisions to the PTPS are necessary to enable prioritisation and decision-making on supporting services to meet priority travel needs and opportunities, particularly relating to employment and training. It would also allow for a more flexible approach to supporting services that are close to being financially viable for the operator, with a view to returning them to commerciality as soon as possible. This approach benefits operators in being able to continue to deliver valuable well-used services by receiving support, where deemed it provides value for money, supporting the commercial market to continue to provide the majority of bus services in the county. It also crucially benefits both the Council in targeting limited funds to provide efficient passenger transport services that represent value for money, and in keeping Leicestershire communities connected to the high priority services and facilities they need.

### Equality Implications

80. An EIA on the proposed revisions to the PTPS has been undertaken and found that whilst this will result in some changes to passenger transport provision these changes should have a positive impact, as in essence access to high priority services should be enhanced, particularly so with the Government funding that has been awarded. It recognises that should funding and therefore budgets be reduced in the longer-term, then the subsequent need to reduce provision would have a negative impact on older people, people with disabilities and people living in rural or deprived areas. However, this impact risk is no different to what is there now with the current PTPS.
81. A full EIA is attached at Appendix C.

### Human Rights Implications



82. There are no human rights implications arising from the recommendations in this report.

### **Crime and Disorder Implications**

83. There are no direct anticipated crime and disorder implications.

### **Environmental Implications**

84. Providing and promoting a sustainable public transport network, resulting in increased passenger usage, should have a positive impact on the Council's net zero county commitment.

### **Partnership Working and Associated Issues**

85. The delivery of the Leicestershire BSIP (to the extent possible within funding constraints) is driven by a formal EP between the Council and Leicestershire bus operators. The EP also includes opportunity through a broad 'Enhanced Partnership Forum' for a wide range of other stakeholders to provide input and suggestions on how the BSIP should best be implemented. As such, the EP and its Board have a significant interest in the implications of the PTPS.
86. The Council works closely with and receives guidance and funding from the DfT in implementing passenger transport initiatives. Relationships are also maintained with neighbouring authorities to address cross-border matters.

### **Risk Assessment**

87. In February 2023, when the Cabinet last considered the PTPS, there was a high likelihood of negative public reaction. The proposed changes to the PTPS, plus the additional one-off funding in 2023/24 and 2024/25, mean that, for the short-term, services can be sustained with a view to improving provision as well as increasing the resilience of the County's bus operation. There is, however, a need to ensure that services offer value for money and meet passengers' priority travel needs. This may lead to changes to some services that could still garner negative public reaction, although this risk is significantly reduced.
88. Although there is funding for the financial years 2023/24 and 2024/25, with the expectation that further ongoing funding will be allocated for the following four years, it is not guaranteed beyond 2024/25. If funding is not forthcoming, the Council's ability to continue supporting some services would be limited, resulting in reductions or withdrawal of support. Further funding would also not address the current budget shortfall or upcoming MTFS commitments which will still need to be mitigated.
89. There are risks around operators' ongoing viability and interest in tendering for supported services. This could lead to some services being left without an operator, or unsustainably high contract costs.

## **Background Papers**

Report to the Cabinet on 9 March 2018, 'Draft Passenger Transport Policy and Strategy Review of the Community Bus Partnerships'

<https://politics.leics.gov.uk/ieListDocuments.aspx?CId=135&MId=5178#A154445>

Report to the Cabinet on 16 October 2018, 'Draft Passenger Transport Policy and Strategy', including appended EHRIA:

<http://politics.leics.gov.uk/ieListDocuments.aspx?CId=135&MId=5184&Ver=4>

Report to the Cabinet on 22 June 2021, 'National Bus Strategy':

<http://politics.leics.gov.uk/ieListDocuments.aspx?CId=135&MId=6444&Ver=4>

Report to the Cabinet on 26 October 2021, 'National Bus Strategy':

<https://politics.leics.gov.uk/ieListDocuments.aspx?CId=135&MId=6447&Ver=4>

Report to the Cabinet on 29 March 2022, 'National Bus Strategy – Enhanced Partnership Plan and Scheme and Bus Service Improvement Plan':

<https://politics.leics.gov.uk/ieListDocuments.aspx?CId=135&MId=6774&Ver=4>

Report to the Cabinet on 29 March 2022, 'Local Bus Service Challenge and Impacts':

<https://politics.leics.gov.uk/ieListDocuments.aspx?CId=135&MId=6774&Ver=4>

Current Passenger Transport Policy and Strategy (PTPS) (2018):

- Policy: <https://www.leicestershire.gov.uk/sites/default/files/field/pdf/2019/5/10/Passenger%20Transport%20Policy.pdf>
- Strategy: <https://www.leicestershire.gov.uk/sites/default/files/field/pdf/2019/5/10/Passenger%20Transport%20Strategy.pdf>

Bus Service Improvement Plan (BSIP):

<https://www.leicestershire.gov.uk/roads-and-travel/buses-and-public-transport/bus-service-improvement-plan-bsip>

Enhanced Partnership Plan and Scheme:

<https://www.leicestershire.gov.uk/roads-and-travel/buses-and-public-transport/enhanced-partnership-plan-and-scheme>

Report to the Highways and Transport Overview and Scrutiny Committee on 9 November 2023 and minutes of that meeting

<https://politics.leics.gov.uk/ieListDocuments.aspx?CId=1293&MId=7176>

## **Appendices**

Appendix A: Draft revised Passenger Transport Policy

Appendix B: Draft revised Passenger Transport Strategy

Appendix C: Equality Impact Assessment (EIA)

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# **Leicestershire County Council**

## **Passenger Transport Policy**

**December 2023**

## Foreword

Leicestershire County Council recognises the important role that passenger transport services have to play in keeping people and places connected, especially in a rural county such as Leicestershire. Use of such services rather than private car travel also helps reduce congestion and limit emissions.

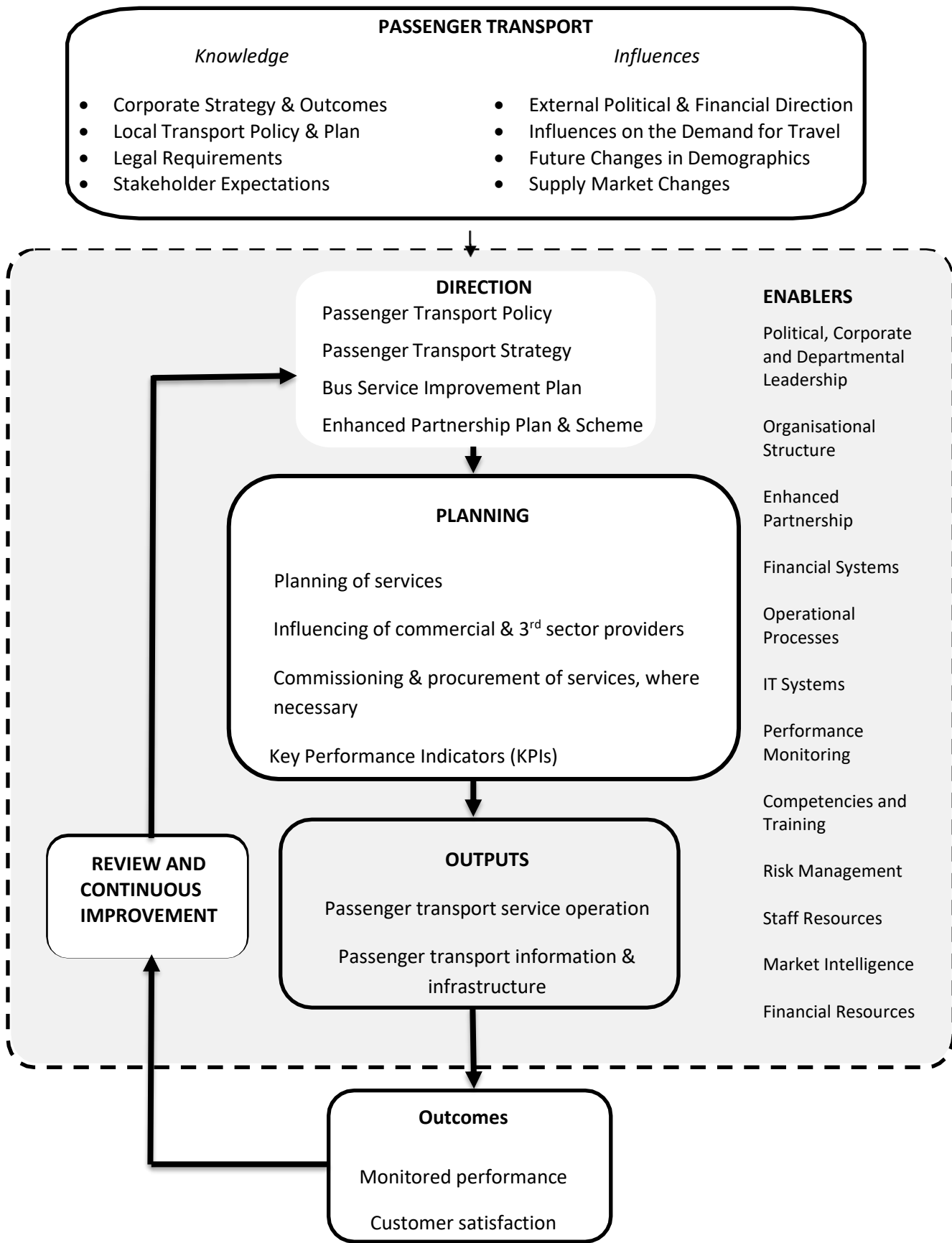
Facilitating and supporting an appropriate mix of services, working with communities and commercial and 3<sup>rd</sup> sector operators, is a key aim for the Council, against a backdrop of a challenging funding situation. These will meet statutory requirements, help Leicestershire County Council deliver on its strategic priorities and outcomes, and support the people of Leicestershire in accessing key services.

Our Passenger Transport Policy and the associated Passenger Transport Strategy have been developed to help us to take account of these needs and challenges.

## 1. The Passenger Transport Framework

- 1.1 The framework shown in Figure 1.1 places our approach to supporting passenger transport in Leicestershire in context. The Passenger Transport Policy and Strategy sets the context against which service delivery and performance will be monitored on an ongoing basis. The framework reflects current Government thinking on service development, delivery and performance.

Figure 1.1: Passenger Transport Framework

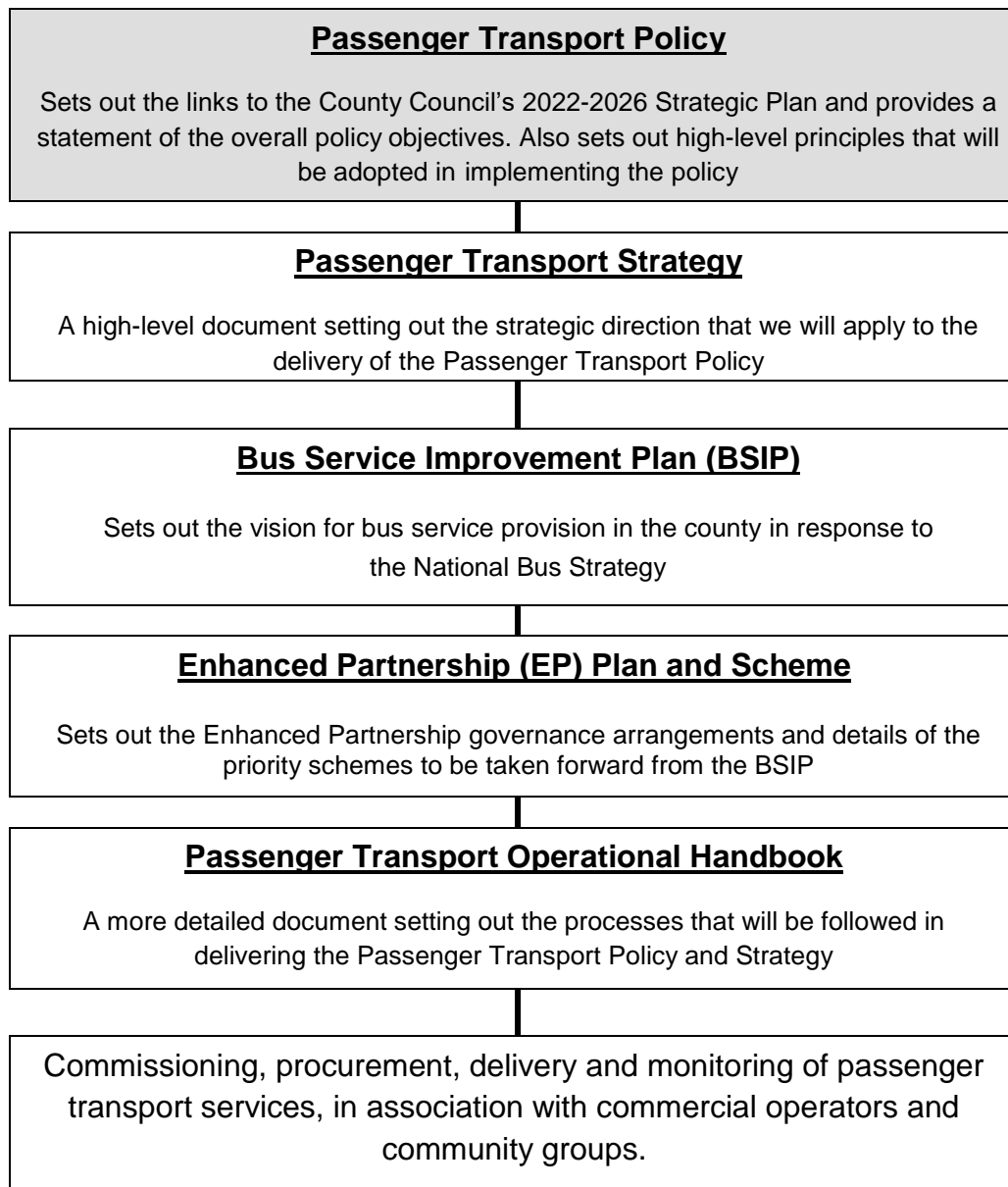




## 2. The Document Framework

- 2.1. This Policy and the associated Passenger Transport Strategy document sit within a document framework that is similar to those used in other areas of responsibility covered by the Council's Environment and Transport Department. Figure 2.1 below shows the framework within which these documents sit.

Figure 2.1: Document Framework



## Passenger Transport Policy

### 3. Purpose

- 3.1. This document sets out the policy objectives and key supporting principles that guide the County Council's support for road-based passenger transport services across Leicestershire. It supersedes the County Council's 2018 Passenger Transport Policy.
- 3.2. The policy is intended to meet the statutory duties placed on the authority and address priority needs within budget constraints. The relevant statutory duties and powers of the County Council can be summarised as follows:
- Outside London, operation of local bus services was largely opened to commercial market forces by the Transport Act 1985, making bus service operation a profit-driven business. However, Section 63(1)(a) of the Act explains that local transport authorities must "secure the provision of such public passenger transport services as the council considers it appropriate to secure to meet any public transport requirements within the county which would not in their view be met apart from any action taken by them for that purpose." Leicestershire County Council is a local transport authority within the meaning of the 1985 Act.
  - The County Council, in common with other transport authorities, is required to formulate, from time to time, general policies on the type of services it proposes to secure under the above duty – as covered in this document and the associated Passenger Transport Strategy document.
  - As a local transport authority, the County Council is provided with powers by the 1985 Act to:
    - Enter into an agreement providing for service subsidies for the purpose of securing any service.
    - Take any measures that appear to be appropriate for the purpose of, or in connection with, promoting the availability and operation of public passenger transport.
  - The Transport Act 1985 also requires an authority in exercising its power to promote the availability of public passenger transport services, to have regard to the needs of older or disabled people.
  - The Transport Act 2000 (amended in 2008) introduced the means for local authorities and bus operators to enter into bus quality partnerships. It also required authorities to consult on, and determine, what local bus information should be made available to the public and the way in which

it should be made available. Where satisfactory arrangements for information provision cannot be made with operators, authorities are required to make information available.

- The Bus Services Act 2017 provides local transport authorities with a wider set of tools to use to address 'inefficiencies' in their local bus markets and to work with commercial bus operators to provide better local bus services for passengers. It includes provision for improving local bus quality partnerships, making franchising (the London model of bus operation) easier, and improving information provision.

- 3.3. In March 2021, the Government published its National Bus Strategy 'Bus Back Better'. The Strategy recognised that the Covid-19 pandemic had caused a significant shift away from public transport to the private car. The Strategy proposed radical improvements to local public transport as a 'quick, easy and cheap' way to avoid a car-led recovery from Covid.
- 3.4. In response to the Government's National Bus Strategy published in March 2021, the Leicestershire Bus Service Improvement Plan (BSIP) was published in October 2021 by Leicestershire County Council and its partners. The BSIP set out the vision for bus service delivery in the county:

*Our future bus network will seamlessly connect people with employment locations, education and training opportunities, key services, other transport modes, leisure destinations and, of course, each other; in a way that is reliable, affordable, environmentally friendly, easy-to-use, safe and inclusive.*

- 3.5. The overall aim of the BSIP is:
- To increase bus usage (compared with pre-pandemic levels) across the county through improved, financially sustainable, higher standard services that better meet the needs of Leicestershire residents, employees and visitors – making bus travel a preferred choice for travel around the county and travel into the City of Leicester. This will enable long term clean growth, supporting delivery of the Leicester & Leicestershire Strategic Growth Plan.*
- 3.6. Following submission of the BSIP, an Enhanced Partnership (EP) Plan and Scheme were 'made' on 31<sup>st</sup> March 2022. The EP Plan details governance arrangements for the Enhanced Partnership which will deliver the BSIP, whilst the EP Scheme highlights the priority projects to be implemented by the Partnership. The EP Plan and Scheme documents can be viewed [here](#). This Passenger Transport Policy has been amended to reflect the new priorities in the BSIP.

## 4. Scope

- 4.1. This policy is applicable to road-based general passenger transport services within Leicestershire. This covers a broader spectrum than just conventional 'big bus' services and includes passenger transport solutions using a range of appropriate smaller vehicles. Rail travel, commercial taxi and private hire services, and specialist transport services for education and social care purposes, are not included as these are dealt with in other policy documents.

## 5. The Passenger Transport Policy and Supporting Principles

- 5.1. Implementation of the policy and supporting principles set out below and the associated Passenger Transport Strategy will be evidence-based. The Council will work through the Enhanced Partnership as appropriate to achieve beneficial outcomes for passengers. Objective data and information will be sought to underpin decisions made.

### Policy

<b>PTP1</b>	<b><i>Leicestershire County Council will continue to encourage residents, workers and visitors to use passenger transport services in preference to the private car wherever possible, because of the environmental and decongestion benefits of doing so.</i></b>
<b>PTP2</b>	<b><i>Leicestershire County Council will encourage commercial transport operators to meet as many of the access needs of Leicestershire residents, workers and visitors as possible through provision of commercial transport services.</i></b>
<b>PTP3</b>	<b><i>Leicestershire County Council will encourage community organisations to provide transport services for their communities that address access needs that are not covered by commercial passenger transport services. The aim will be for such services to be self-financing; however, the Council will provide some level of grant support (within affordability constraints) to help facilitate the establishment and operation of such services where necessary.</i></b>

<b>PTP4</b>	<b><i>In the planning of new development in Leicestershire, the County Council will work with district and borough councils (planning authorities) to ensure that viable, long term accessibility by passenger transport is properly considered and, where appropriate, contributions are secured to facilitate such accessibility.</i></b>
<b>PTP5</b>	<b><i>Where commercial, development-supported or community passenger transport services do not meet high priority needs for some residents, the County Council may consider intervening by offering organisational, operational or financial support for alternative passenger transport services. Leicestershire County Council is not a major passenger transport provider to the general public and will generally only consider intervening where there is demonstrable and significant unmet demand<sup>1</sup> for transport services that serve the high priority journey purposes of employment and training, food shopping and primary healthcare. Financial support will only be offered subject to affordability, value-for-money and other criteria defined within the Passenger Transport Strategy.</i></b>
<b>PTP6</b>	<b><i>The County Council will ensure all eligible elderly and disabled people are able to travel at concessionary rates on registered local bus in accordance with statutory requirements.</i></b>
<b>PTP7</b>	<b><i>The County Council will work with commercial and community service providers to ensure that up-to-date, clear and accurate information is available to the public on passenger transport services through a range of appropriate information channels.</i></b>

## Supporting Principles

<b>SP1</b>	Leicestershire County Council will engage with local communities that approach us, to identify any demonstrable and significant unmet demand for travel for the high priority purposes identified in PTP5. The Council will also work with these local communities to discuss ways of shaping passenger transport services to best meet local needs.
<b>SP2</b>	Leicestershire County Council will engage with commercial passenger transport service operators to explore ways of shaping their services to

<sup>1</sup> The level of passenger demand meeting this test will depend on the nature and cost of the particular potential service or part-service under consideration.

	meet local needs, and maximising use of those services.
SP3	Leicestershire County Council will engage with community organisations to explore ways of shaping community transport services to meet local needs, and of maximising use of those services.
SP4	The County Council will work with operators and neighbouring authorities to seek to encourage use of low emission technologies on passenger transport vehicles operated in Leicestershire.
SP5	The County Council will work with operators and neighbouring authorities to seek to promote passenger transport use over the private car through behavioural change initiatives. This will help passenger transport services remain or become commercially viable.
SP6	The County Council will seek additional funding for operating or promoting passenger transport through competitive bids to appropriate specific funds established by Government from time to time.
SP7	The County Council will seek user and non-user feedback on passenger transport services that are supported financially, in line with customer satisfaction monitoring proposals outlined in the BSIP.
SP8	The County Council will require operators of financially supported services to provide accurate monthly data on use of the services, in order to ensure that they still represent value for money.
SP9	Commercial transport service providers and community transport service providers will be expected to take the lead role in providing public information on services that they operate.
SP10	Where the Council supports passenger transport services financially, it will seek to maximise value from those services, including looking at their potential to carry school and college attendees.

## 6. How this Policy Supports the County Council's Strategic Aims

- 6.1. Our corporate vision is set out in the County Council's Strategic Plan, which highlights five strategic outcomes for the County over the four-year period from 2022 to 2026.
- 6.2. The Passenger Transport Policy is intended to help deliver the five priority outcomes that guide all activities of the County Council. The five priority outcomes which essentially give a target vision for the future of Leicestershire are:

1. Clean and Green: the need to protect and enhance the environment and tackle climate change
2. Great Communities: Leicestershire to have active and inclusive communities in which people support each other and participate in service design and delivery
3. Improved Opportunities: all children and young people get the best start for life and have the opportunities they need to fulfil their potential, regardless of their circumstances
4. Strong Economy, Transport and Infrastructure: use local innovation and skills to build a productive, inclusive and sustainable economy at the cutting edge of science, technology and engineering
5. Safe and Well: ensuring that people are safe and protected from harm, live in a healthy environment and have the opportunities and support they need to live active, independent and fulfilling lives

- 6.3. The ways that the Passenger Transport Policy can help deliver these outcomes are set out below:

### Clean and Green

The Passenger Transport Policy will help to minimise the negative environmental impact of transport on the environment by:

- Continuing to support public transport services
- Supporting public transport services in a way which best meets the level of need to avoid operating under-used 'big bus' services where appropriate
- Encouraging commercial operators to invest in zero emission vehicles and preparing bids for funding of such vehicles and supporting infrastructure

### **Great Communities**

The Passenger Transport Policy will contribute to good quality, thriving neighbourhoods by helping to ensure that local communities are encouraged and supported in contributing to their own passenger transport solutions.

### **Improved Opportunities**

The policy will contribute to good life chances for all by:

- Helping people in Leicestershire who don't have access to a private car reach key services and facilities by passenger transport, where that is possible within affordability and value-for-money criteria
- Contributing to accessibility of workplaces and training / education centres that help deliver good life chances
- Helping to ensure that people are aware of the passenger transport opportunities available to them by working with commercial and community partners to make information readily available

### **Strong Economy, Transport and Infrastructure**

The Passenger Transport Policy will help to deliver the right conditions for a thriving local economy that can attract inward investment. In particular, it will help:

- Minimise congestion on Leicestershire's roads (since passenger transport vehicles generally take up less space per person than private cars) with the consequent delays and journey time variability that hinder business operations
- Help to ensure accessibility of workplaces and other economic centres for all, particularly those without access to a private car
- Support commercial bus operators, with consequent direct local employment benefits

### **Safe and Well**

The Passenger Transport Policy will seek to ensure that, where finance allows, local public transport services are provided in areas where commercial services are not viable, to ensure that people are able to access the facilities and services they need to lead fulfilling, independent lives.



## 7. Supporting Delivery of the County Council Local Transport Plan

- 7.3. The County Council recognises the very important role that buses and other passenger transport services have to play in keeping people and places connected, especially in a largely rural county such as Leicestershire. The County Council has declared a Climate Emergency with the target of achieving 'net zero' across the county. Enabling our communities to use sustainable buses and other passenger transport services helps improve air quality in Leicestershire's towns and villages, limits carbon emissions and helps reduce congestion.
- 7.4. The County Council also recognises the significant challenge that it faces in delivering services against a background of reduced local government funding and uncertainties around long term funding specifically for passenger transport services. The Medium Term Financial Strategy (MTFS) sets out this challenge and identifies where the County Council intends to deliver efficiencies and savings in the medium term.
- 7.5. The County Council's Local Transport Plan (LTP), alongside the Leicestershire Bus Service Improvement Plan (BSIP) and associated Enhanced Partnership (EP) Scheme, sets out the Council's aims and ambitions to support Leicestershire communities to access and use buses and other passenger transport services.
- 7.6. The implementation of the Passenger Transport Policy underpinned by the Passenger Transport Strategy will support the delivery of the LTP and its goals by setting out the County Council's approach to supporting passenger transport in Leicestershire. The current LTP will be assessed and reviewed where appropriate to ensure that it remains fit-for purpose in light of Government guidance and legislation and as part of the development of specific plans and strategies that support it.

## 8. Policy Review

- 8.3. This policy is closely aligned to other developing policy documents across Environment and Transport services. It will be subject to regular review and sense-checking while these documents are in development.
- 8.4. Following this revision, the policy will be considered for review within 5 years or earlier if there are significant changes in local circumstances, national policy or guidance that affects passenger transport.

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# **Leicestershire County Council**

## **Passenger Transport Strategy**

**December 2023**

## Passenger Transport Strategy

### Foreword

Leicestershire County Council recognises the important role that passenger transport services have to play in keeping people and places connected, especially in a rural county such as Leicestershire. Use of such services rather than private car travel also helps reduce congestion and limit emissions.

Facilitating and supporting an appropriate mix of services, working with communities and commercial and 3<sup>rd</sup> sector operators, is a key aim for the Council, against a backdrop of a challenging funding situation. This will help:

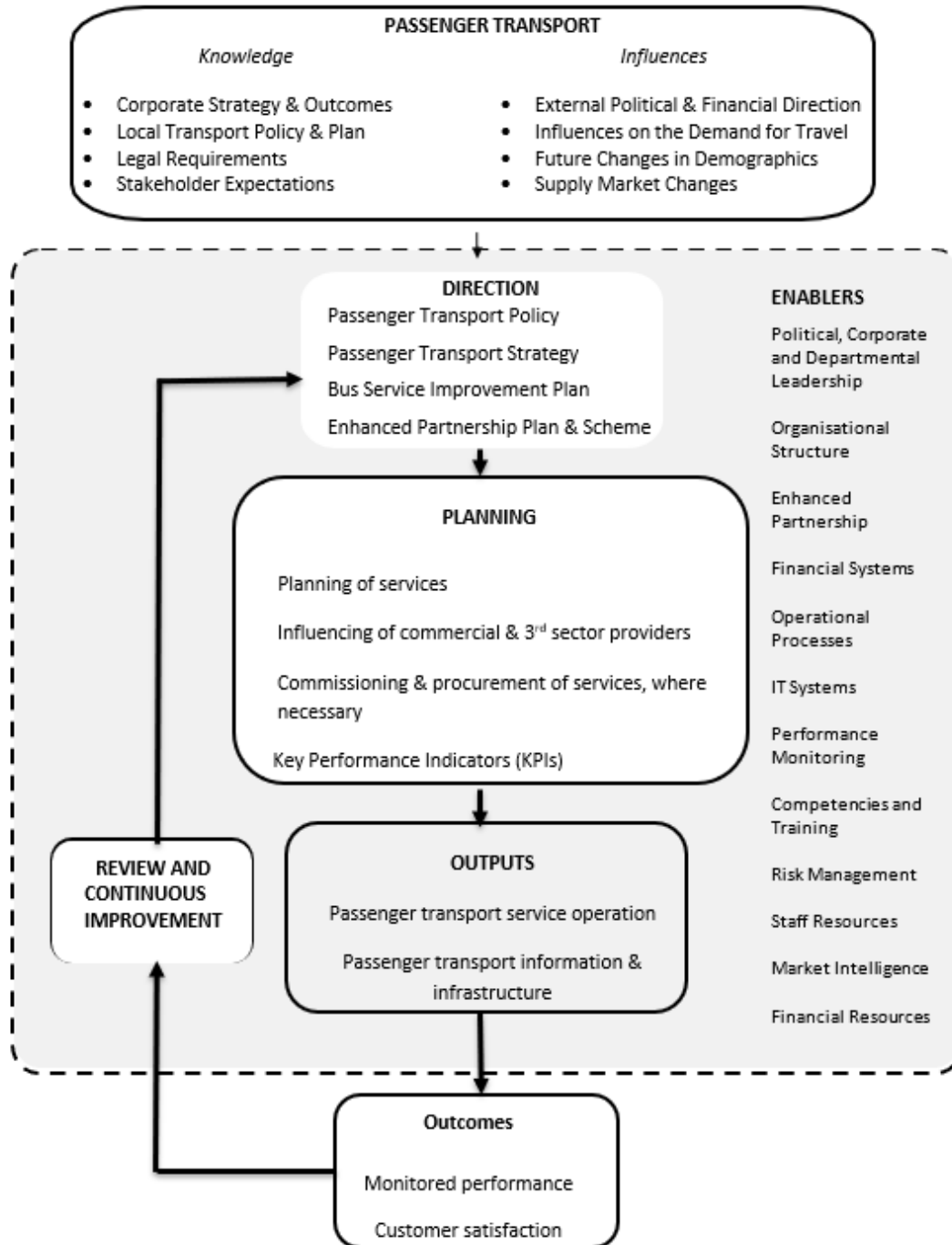
- Meet statutory requirements.
- Leicestershire County Council deliver on its strategic priorities and outcomes.
- Support the people of Leicestershire in accessing key services.

Our Passenger Transport Policy (PTP) - and the associated Passenger Transport Strategy (PTS) to deliver that Policy, set out in this document – have been developed to help us to take account of these needs and challenges.

# 1. The passenger transport framework

- 1.1. The framework shown in Figure 1.1 places our approach to supporting passenger transport in Leicestershire in context. The PTP and PTS set the context against which service delivery and performance will be monitored on an ongoing basis. The framework reflects current Government thinking on service development, delivery and performance.

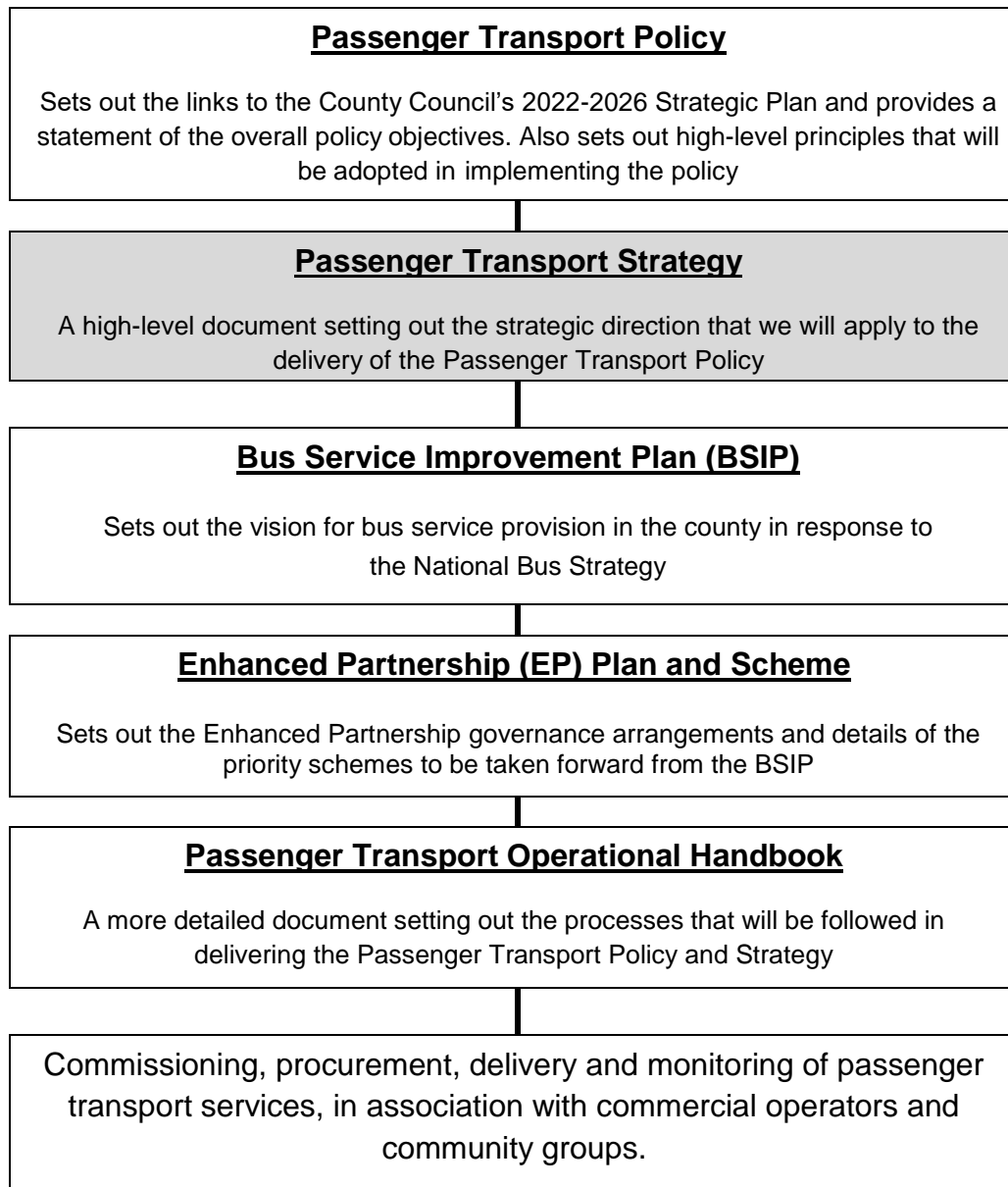
**Figure 1.1: Passenger Transport Framework**



## 2. The document framework

- 2.1. This PTS document sits within a framework that is similar to those used in other areas of responsibility covered by the Council's Environment and Transport Department, as shown in Figure 2.1.

**Figure 2.1: Document Framework**



### 3. Purpose and scope

- 3.1. This document sets out the overall strategy that Leicestershire County Council will adopt to pursue the policy goals and supporting principles set out in our Passenger Transport Policy. It supersedes the County Council's 2018 Passenger Transport Strategy.
- 3.2. This Strategy is focussed on road-based general passenger transport services within Leicestershire, including conventional 'big bus' services and other passenger transport solutions using a range of appropriate smaller vehicles.

### 4. Priorities

- 4.1. Many people's passenger transport needs in Leicestershire will be met by commercial services. One of our priorities will therefore be to support the commercial market to the extent that we can, by encouraging use of those services in preference to the private car and by working with operators to create the conditions in which commercial services can thrive. Other passenger transport needs may be met by community transport services.
- 4.2. Where some transport needs cannot be met by the commercial market or by community transport services, the council has to consider whether it should intervene in the market by offering organisational, operational or financial support to any additional passenger transport services. We therefore need to look at what our priorities for such support are, in the context of limited funding availability.

#### Priority groups

- 4.3. As noted in our PTP document, to deliver the Council's Strategic Plan priority outcomes there is emphasis on supporting a high level of health and wellbeing (including combating isolation), and on helping deliver the right conditions for a thriving local economy. We also have a statutory obligation to consider the needs of 'elderly and disabled' people in determining what to support and how to provide passenger information.
- 4.4. Meeting some key needs of older, disabled or isolated people is therefore given higher priority than meeting needs of other sectors of the population. We also give higher priority to meeting the needs of people living in employment-deprived areas in order to help them access the job market. This prioritisation is in line with Leicestershire's Third Local Transport Plan (LTP3), which emphasises 'continuing to improve the connectivity and accessibility of our existing transport system for vulnerable individuals, groups and

communities’.

#### Access to services and facilities

- 4.5. Passenger transport can potentially help Leicestershire’s residents access a range of important services and facilities. Where we are considering supporting services to supplement those provided commercially, as noted in our PTP we will give highest priority to access to:
- Employment and training
  - Food shopping
  - Primary healthcare<sup>1</sup>
- 4.6. Our Strategy is therefore focussed on supporting passenger transport services that are most likely to enable people to access a range of such services and facilities. Priority is given to trying to ensure that as many Leicestershire residents as possible are able to reach settlements which offer those services and facilities at least once per week. It must be accepted, however, that in some cases it may not be possible to offer a meaningful level of service at acceptable cost.
- 4.7. Our strategy also recognises that enabling access to larger settlements is likely to enhance residents’ ability to benefit from a wider range of opportunities, particularly employment and training. Where affordable, we will seek to support improved access to such opportunities.

#### Core times

- 4.8. Our Strategy focuses on supporting passenger transport trips on certain days of the week and at certain times. In general, these are the times when access to employment and training, food shopping and primary healthcare is likely to be accommodated and demand is likely to be highest, thus giving the greatest benefit to the greatest number of residents within the available resources. We will, generally, only consider supporting service runs that depart from or arrive at their first Leicestershire location between the following times:
- Monday to Friday 07.00 to 19.00
  - Saturday 08.00 to 18.00
- 4.9. We will particularly consider the need to support services that operate in the morning and afternoon peak periods that can support employment and training and contribute to congestion reduction.

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<sup>1</sup> Primary healthcare provides the first point of contact in the NHS and includes general practices (GPs), community pharmacies, dental, and optometry (eye health) services (source: <https://www.england.nhs.uk/participation/get-involved/how/primarycare/> )



## 5. Elements of our Strategy

5.1. The following sections of this document each deal with one of the following areas:

- Commercial passenger transport services
- Community transport services
- Subsidised passenger transport services
- Intervention in the planning system
- Passenger information
- Supporting infrastructure
- Fares and ticketing
- Concessionary travel
- Dealing with service disruptions

5.2. Transport specifically to serve educational establishments (schools, colleges) is not explicitly dealt with in this Strategy as it will be covered in other County Council policy and strategy documents<sup>2</sup>. Nevertheless, we fully recognise that integration of general purpose passenger transport provision with education transport provision, where possible, can sometimes deliver the best overall solution. In looking at provision of subsidised passenger transport services, we will therefore always consider how educational transport needs and other transport needs can be served together.

5.3. Park and Ride bus services are also not dealt with in this Strategy, since they form part of transport schemes that the County Council (working jointly with Leicester City Council) has previously implemented to tackle congestion in and around the Leicester urban area.

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<sup>2</sup> <https://www.leicestershire.gov.uk/education-and-children/school-transport/school-transport-policy-documents>

## 6. Commercial passenger transport services

- 6.1. The primary providers of passenger transport services in Leicestershire are commercial organisations that operate local bus services on a profit-making basis, as envisaged when the local bus service market outside London was de-regulated in 1985. It is generally in the interests of the people of Leicestershire for commercial bus networks to be attractive, efficient and stable. Such networks can meet the needs of many people in providing a means of collective transport that reduces congestion on our roads, limits vehicular emissions and provides access to work and life opportunities.
- 6.2. While commercial bus services are outside the Council's direct control, we will work in cooperation with all commercial operators, as far as possible, to help them deliver high quality and low emission services that meet Leicestershire's needs. This may include working with operators through the Leicestershire Enhanced Partnership to grow the commercial market.
- 6.3. The Bus Services Act 2017 introduced possibilities for new partnership models (e.g. Advanced Quality Partnerships and Enhanced Partnerships) or for bus franchising. Subsequently, the Government's National Bus Strategy (2020) required all Local Transport Authorities (LTAs), whether alone or in conjunction with neighbouring LTAs, to enter into an 'Enhanced Partnership' with its local bus operators to deliver Enhanced Partnership 'Schemes' as identified within its Bus Service Improvement Plan (BSIP). The Leicestershire BSIP was made on 31<sup>st</sup> October 2021 and the Enhanced Partnership was established in March 2022.
- 6.4. Our role will focus on supporting operators in delivering high quality services that meet people's needs. For example, this may include:
  - Working with operators to ensure that bus stops, shelters and service information are provided and maintained.
  - Helping ensure that buses do not suffer unduly from traffic congestion, and planned road works, so that they can operate punctually and reliably.
  - Highlighting opportunities for bus operators arising from development plans and the potential to grow new markets.
  - Applying for Government funds open to local authorities for investment in low emission vehicles or other aspects of bus service provision.

## 7. Support for community transport services

### Current schemes

- 7.1. Community transport (CT) services currently provide a valuable service for people from vulnerable groups in particular (for example, disabled or older people with impaired mobility, and people who live in isolation), helping them to access key services and activities that they can't reach using the commercial bus network. These services are provided by community organisations, with much of the work involved being undertaken on a voluntary basis.
- 7.2. Users of CT services pay towards the cost of their travel, but at present this does not cover all costs of the service. Community organisations rely on external fundraising to cover the rest of their costs. Leicestershire County Council has historically provided significant grant funding to CT scheme operators and, following an in-depth review and consultation process in 2013-14, this moved towards a system where a defined overall grant fund is allocated to scheme operators according to a combination of the number of passengers carried and the size of the scheme catchment population for each operator. The NHS (via Leicester, Leicestershire and Rutland's Integrated Care Board) also makes a grant contribution to CT services, in recognition of their role in connecting people with healthcare.
- 7.3. In line with practice in other local authorities, we will encourage existing CT scheme operators to become less reliant on Council grants to deliver their services, with an ultimate aim of them becoming financially self-sustaining. We will also work with the existing operators to encourage them to broaden their appeal to population groups other than older and disabled people.

### Potential future community initiatives

- 7.4. In communities that currently only have a limited community transport service, we will work with groups of local people who may wish to offer some form of additional service to encourage and help them. These may be based on small vehicles, including cars, taxis or minibuses. In particular, we will offer advice on organisational, operational and funding issues. Engagement will be undertaken by officers where there is clear interest from a community in delivering a new community service.

### Financial support

- 7.5. Leicestershire County Council will continue to pay a grant to community transport organisations based on the number of trips carried and size of catchment population. A defined grant fund will be maintained to this end. Part of the grant fund may also be used to help communities establish and start to operate any new transport services for local communities.

## 8. Financially supported passenger transport services

- 8.1. Leicestershire County Council is not a major passenger transport provider. However, where commercial bus services or community transport services do not meet a community's high priority transport needs (as defined above), or where an existing commercial bus service or community transport service is withdrawn or significantly curtailed, the Council may consider intervening by offering organisational, operational or financial support for retention of existing or provision of alternative transport.

### Service hierarchy

- 8.2. In common with many parts of the country, demand for bus travel has struggled to recover to pre-Covid levels in Leicestershire as travel habits have changed following the pandemic. We are aware that 'big bus' solutions are not always the most efficient way to meet the needs of users and there are negative effects on the environment from running timetabled buses carrying few passengers, even if those services are operated using electric buses.
- 8.3. This Strategy focusses on matching the type of provision to the level of demand. Big bus services are most likely to be supported which serve key routes and provide access to larger settlements. In more rural areas where demand is lower, we will consider more tailored ways of providing services; these might include bus services which either operate on a fully flexible basis, such as the county's 'FoxConnect' Digital Demand Responsive Transport service, or deviate off route in response to bookings received. Flexible services will feed into scheduled bus services as appropriate, to avoid competing for passengers and to ensure that the on-demand services are available for more local trips. In deeper rural areas, taxi-based on-demand services will provide trips at scheduled times but only operate when bookings are received.

### Financial support for bus services

- 8.4. Financial support will, generally, only be considered where there is demonstrable and significant unmet demand<sup>3</sup> for passenger transport to provide access to high priority opportunities, namely employment or training, food shopping and primary healthcare. In line with the priorities set out earlier in this Strategy document, financial support will, generally, only be considered for services that arrive at or depart from their first or last stop in Leicestershire between the hours of 07.00 and 19.00 Monday to Friday or between the hours of 08.00 and 18.00 on Saturday, and that link the area concerned with a nearby settlement where there is access to employment or training, food shopping and primary healthcare, or offer wider access to a larger settlement

<sup>3</sup> The level of passenger demand meeting this test will depend on the nature and cost of the particular potential service or part-service under consideration.

centre where more high priority opportunities are available<sup>4 5</sup>. Any financial support will only be provided if a supported replacement service or part-service scores well under Leicestershire's objective assessment scoring scheme as set out below.

- 8.5. Supported services or part-services will normally be subject to competitive tender unless consideration of their nature indicates that partial support in the form of a 'de minimis'<sup>6</sup> arrangement will provide the most effective and economic application of funds. The Council is however bound by bus service tendering legislation which does not allow more than 25% of its forecast expenditure on passenger transport service support to be used on de minimis services. For this reason, supported services and de minimis arrangements will be considered separately within the scoring mechanism.
- 8.6. All candidate bus services will be put through an objective scoring mechanism to capture some of the key aspects of the benefits and costs of supporting that service. This will use three key indicators:
1. Net subsidy cost per passenger-km. This is the main indicator of value for money and compares the cost of supporting the service with the actual or forecast demand<sup>7</sup>.
  2. Number of Leicestershire residents within the bus service's catchment area<sup>8</sup> that don't have access to another service and aren't within reasonable walking distance (800m) of a settlement centre. This indicator relates to the number of people for whom a particular service has a high value. Where the catchment area includes areas of employment deprivation<sup>9</sup>, people within the employment-deprived areas will count double for this measure.
  3. Access to opportunities. Bus services that provide access to a greater range of high priority facilities and services, particularly employment and training, which tend to be found in larger settlement centres, are considered more 'valuable' than those that focus primarily on access to lower priority facilities and services.

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<sup>4</sup> Leicestershire County Council and Leicester City Council will also work together to procure contracted bus services linking the County Council's Park & Ride sites with Leicester city centre. These services are intended to be self-funding. Park & Ride services form part of transport schemes that Leicestershire County and Leicester City Councils have previously implemented to tackle congestion in the Leicester urban area. Park and Ride services are therefore not covered in any detail in this passenger transport strategy document.

<sup>5</sup> Leicestershire County Council will also seek to work with businesses at other existing significant places of employment outside settlement centres, for example Magna Park, to explore the possibility of achieving third party delivered passenger transport solutions to provide access to employment and training opportunities. We will also seek to work through the planning system to seek to secure delivery of such solutions for new major employment sites

<sup>6</sup> 'De minimis' refers to award of small amounts of bus subsidy without tender, as allowed by bus service tendering rules set out in Government regulations. This is especially valuable where a variation or addition to an otherwise commercial service is the most effective way of meeting a particular need

<sup>7</sup> Consideration will be given to the carriage of eligible school pupils on supported services and the cost of alternative provision for those pupils on a case-by-case basis

<sup>8</sup> Catchment area defined as within 800m of a bus stop

<sup>9</sup> Defined for this purpose as Lower Super Output Areas (LSOAs) within the 30% most employment-deprived LSOAs in England, according to the latest Indices of Deprivation published by Government

- 8.8. The objective scoring mechanism we will use against each of these measures reflects their relative importance and is sufficiently 'fine-grained' to enable us to differentiate between the merits of different service options.
- 8.9. The indicators will effectively be given different weightings to reflect their relative importance with the balance differing between fully supported services and de minimis arrangements (see Table 8-1).
- 8.10. Fully supported services will score 0-20 for indicator 1 (cost per passenger-km), 0-10 for indicator 2 (access to an alternative bus / rail service) and 0-5 for indicator 3 (access to opportunities).
- 8.11. De minimis services will be assessed in relation to indicator one only – cost per passenger-km – in the first instance. De minimis funding requests will be data-led from the outset, with any funding awards being time limited and subject to available budget. Service performance will be closely monitored on an ongoing basis to measure progress towards commercial viability. Should a de minimis arrangement not return a service to commercial viability by the end of the funding period, it will be assessed for support in the form of a contract, based on all three indicators, alongside other services supported by the Council.

**Table 8-1: Comparison of scoring for fully supported and de minimis services**

Indicator	Fully supported bus service	De minimis bus service
Cost per passenger-km	0-20	0-20
Access to an alternative bus / rail service	0-10	-
Access to opportunities	0-5	-
Overall score	Out of 35	Out of 20

- 8.12. The scoring mechanism is set out in Table 8-2.

**Table 8-2: Scoring mechanism for assessment of the case for supporting a bus service**

<b>Indicator 1</b>	<b>Range<sup>10</sup></b>	<b>Score</b>
<b>Net subsidy cost per passenger-km<sup>11</sup></b>	£0.90 or more	0
	£0.85 - £0.89	1
	£0.81 - £0.84	2
	£0.77 - £0.80	3
	£0.72 - £0.76	4
	£0.68 - £0.71	5
	£0.62 - £0.67	6
	£0.58 - £0.61	7
	£0.52 - £0.57	8
	£0.48 - £0.51	9
	£0.43 - £0.47	10
	£0.38 - £0.42	11
	£0.32 - £0.37	12
	£0.28 - £0.31	13
	£0.24 - £0.27	14
	£0.20 - £0.23	15
	£0.16 - £0.19	16
	£0.12 - £0.15	17
	£0.08 - £0.11	18
	£0.04 - £0.07	19
Less than £0.04	20	

<sup>10</sup> Monetary values increased to reflect inflation since previous Strategy published in 2018.

<sup>11</sup> Values may be updated by the County Council from time to time to take account of inflation.

Indicator 2	Value range <sup>12</sup>	Score
<b>Number of Leicestershire residents within the service's catchment area who don't have access to another service and aren't within reasonable walking distance (800m) of a settlement centre</b>	< 750	0
	751-1500	1
	1501-2250	2
	2251-3000	3
	3001-3750	4
	3751-4500	5
	4501-5250	6
	5251-6000	7
	6001-6750	8
	6751-7500	9
	> 7500	10

Indicator 3	Value range	Score
<b>Access to opportunities (as measured by the relative size of the destinations served by the service, reflecting the availability of a range of facilities and services)</b>	Provides access to a city plus at least one large settlement	5
	Provides access to at least two large settlements	4
	Provides access to at least one large settlement	3
	Provides access to at least two medium settlements	2
	Provides access to at least one medium settlement	1
	Provides access to at least one small settlement	0

<sup>12</sup> People within employment-deprived areas will count double for this indicator



- 8.13. Once a service has been through the scoring mechanism, the resultant overall score will be viewed in the context of a case-for-support rating. This is shown in Table 8-3. This information will be used by officers to make the decision on whether to financially support a particular service. Any decision on the future of services will consider the implications of service removal on the overall provision of passenger transport in the local area. For de minimis funding requests, only those with a strong case for support rating (i.e. have a score of 17 or more out of 20) will be considered for financial support.

**Table 8-3: Case-for-support ratings**

Case-for-support rating	Overall service score	
	Supported services score out of 35	De minimis score out of 20
Strong	25 or more	17 or more
Marginal	20-24	15 - 16
Weak	<20	<15

#### Lifeline DRT services

- 8.14. Where an existing supported bus service scores poorly under the objective scoring mechanism and is therefore withdrawn or curtailed, Leicestershire County Council will consider the case for providing a localised 'lifeline' demand responsive transport (DRT) service. Such lifeline services recognise the importance of passenger transport links in combating isolation. The best candidate service option will be determined by officers (in collaboration with community representatives, where possible) and will normally be the option that offers the best value within affordability constraints.
- 8.15. Such services will be operated by contracted small vehicle or taxi operators and will only be considered where there is demonstrable evidence of people who were previously reliant on a bus service (that is now withdrawn or curtailed) who cannot reasonably use other means of travel (e.g. community transport, private car, car-sharing, commercial taxi/minicab, walking or cycling) for access to employment and training, food shopping and primary healthcare (as defined in section 4 of this document) to a nearby settlement centre at core times.
- 8.16. Where these criteria are met, and such a service is affordable within budget constraints, the County Council will attempt through competitive tendering to procure an appropriate DRT service. The case for maintaining such DRT

services will be reviewed at least every three years.

### Our enhanced offer

- 8.17. Without funding from external sources, our 'core' offer will be full or partial support in the form of a scheduled bus within our budgetary constraints, replacing buses with the type of lifeline services described above where services are not deemed to offer value for money.
- 8.18. Should external funding for passenger transport be made available to the Council, for example BSIP+, or Section 106 developer funding, our 'enhanced' offer will involve trialling some of the more flexible means of service provision, such as new operating zones for the FoxConnect Digital Demand Responsive Transport, or new 'Flexibus' services.
- 8.19. We will also consider awarding short-term support in response to new de minimis requests with a view to assisting borderline commercial services to return to commercial viability.
- 8.20. Any 'enhanced' service provision supported with external funding will be reviewed at the end of the funding period and considered for ongoing support in relation to other 'core' service provision, subject to staying within the Council's budgetary constraints.

## 9. Influencing through the planning system

- 9.1. In the planning of new development in Leicestershire, the County Council will work with District Councils (planning authorities) and development promoters (developers) to seek to ensure the delivery of planned development brought forward in locations that offer genuine opportunities to be accessed by a range of travel modes. This includes ensuring that commercially viable, long term accessibility by passenger transport to key services and facilities is appropriately and properly considered. This will be done alongside consideration of other sustainable travel modes (e.g. cycling and walking).
- 9.2. Where appropriate, we will either:
  - encourage and look to developers to engage with passenger transport operators to seek to develop and implement a passenger transport solution that aligns with the type and nature of the development to be served, including new major employment developments, and which is likely to be commercially viable and sustainable over the long term (we will seek appropriate legal agreements to ensure that the solution is secured); or
  - seek developer contributions to facilitate such accessibility through an agreement under Section 106 of the Town and Country Planning Act 1990. The size of contribution sought for all sustainable travel modes will depend on the size, nature and location of the proposed

development.

- 9.3. Section 106 developer contributions may be sought for revenue funding support for a fixed period of either an existing passenger transport service that might be altered to suit the development, or for a new service. However, this will only be sought where there is a reasonable prospect that the service alteration or new service can become self-funding due to patronage growth at the end of the defined period. Contributions may also be sought for passenger transport infrastructure (e.g. bus stops or shelters, passenger information systems).
- 9.4. In wording the Section 106 agreement or seeking development conditions, the County Council will work with planning officers to include sufficiently flexible wording, such that if the situation changes before the development is built the contribution can still be used on other sustainable transport interventions to achieve the same aims, where other feasible options exist. Then, for example, if the specific bus service they might contribute to is withdrawn or changed, the funding can be re-deployed – e.g. to improve cycling or walking links with a development site beyond the identified lifetime of such a supported service.
- 9.5. Where funding for passenger transport is sought from a developer, we will work with planning officers to ensure that this is taken into account in the required Travel Plan for the development. This should help ensure that best advantage is taken of any passenger transport services by the development occupants.

## 10. Passenger information

- 10.1. Leicestershire County Council recognises that the provision of service information and marketing can encourage more travel by passenger transport, which in turn sustains services and supports network enhancements. We also have a statutory duty to determine what local bus information should be made available and to make information available if operators do not do so.
- 10.2. The primary responsibility for providing passenger transport service information will lie with the operators. However, we will work in conjunction with commercial bus operators and Traveline<sup>13</sup> to ensure that information on local bus services is provided for Leicestershire's workers, residents and visitors. Where appropriate, this will be done through the Leicestershire Enhanced Partnership. We will also work with relevant community groups and organisations to help them publicise the community transport services that they operate.
- 10.3. Information provision will primarily focus on:
- What services operate
  - Where services run
  - How to book services that are not conventional local bus services (e.g. community transport or DRT)
  - Service times and frequency
  - Current status of services (e.g. any service disruptions)
  - Days of operation
  - Costs / fares and ticket products
  - Service provider contact details
- 10.4. Our aim is to ensure that information is:
- Comprehensive and covers all services
  - Accurate, up-to-date and reliable
  - Available at all key stages of planning and making a journey
  - Accessible by people with disabilities
- 10.5. Information may be provided through a range of media, as set out below. We will liaise with commercial operators to try to ensure that our respective information sources are complementary rather than duplicative.
- 10.6. **Printed information** – In general, printed service leaflets may be provided by service operators. Through our contracting processes for procuring

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<sup>13</sup> Traveline is the national public transport enquiry service

supported services, we will encourage operators to provide printed leaflets that fit with the style used for their commercial services. We will encourage operators to conform with current best practice.

- 10.7. **Websites and apps**– We will encourage operators to make information available to passengers through their own websites and apps. We will also provide service information to Traveline, so that it can be accessed by passengers through telephone enquiries, through the Traveline website, or through apps that use the Traveline data feed. We will also continue to keep service information up-to-date in Leicestershire’s ‘Choose How You Move’ multi-modal journey planner. The Leicestershire County Council website will signpost passengers to these sources of information.
- 10.8. **Information at bus stops** – We will work with bus operators to ensure that they provide accurate and up-to-date timetable information at all bus stops within Leicestershire. This information will be provided in large print, as far as reasonably practicable, and we will work with operators to ensure that principles set out in ATCO best practice guidance are followed as far as possible.
- 10.9. **Real time information (RTI) displays** – As far as possible within budget constraints, we will provide real time information displays at selected bus stops. Selection of sites for RTI displays will be planned in cooperation with neighbouring authorities for cross-boundary services and with bus operators.
- 10.10. We will continue to monitor usage and user satisfaction with passenger information provision actions, and will work with service operators to adjust and fine-tune them based on those actions. This will meet the Transport Act 2000 requirement to consult on information provision.

## 11. Supporting infrastructure

- 11.1. Leicestershire County Council will continue to provide and maintain infrastructure that facilitates passenger transport use, in cooperation with operators where appropriate. This includes bus stop poles/flags and shelters, information display cases and digital information at stops, and interchange facilities. We will apply our ‘Bus Stop Infrastructure Standards’, developed in cooperation with operators within the Enhanced Partnership, which introduced a hierarchy of stop types to take into account factors such as the nature of the stop location, the frequency of services, level of passenger usage and space available for installing infrastructure. Selection of locations for any new bus stops and shelters will follow the Standards document, developed in consideration of the Department for Transport’s Inclusive Mobility guidance<sup>14</sup>.

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<sup>14</sup> [Inclusive mobility: making transport accessible for passengers and pedestrians - GOV.UK \(www.gov.uk\)](http://www.gov.uk)

- 11.2. Responsibility for maintenance of bus stop poles/flags, display cases and shelters may, by agreement with all operators concerned, be delegated to bus operators. Where such agreement cannot be reached, Leicestershire County Council will retain the responsibility for maintaining the infrastructure.
- 11.3. Interchange facilities will continue to be provided at key locations where people change between different bus services or between the bus and other forms of transport. As a minimum, these will be provided with a timetable information case and a cover to protect passengers from inclement weather.
- 11.4. The County Council will also continue to work closely with service operators to identify any problems on the road network for passenger transport vehicles that could be improved by targeted infrastructure improvements. These might range from measures to reduce junction delays at peak times to filling in potholes. Any such improvements will be considered based on the potential benefit and cost of making the improvement and of affordability.

## 12. Fares and ticketing

- 12.1. Bus fares for commercial services and Community Transport fares are primarily a matter for the operators of those services. As part of our cooperative working with local bus operators in Leicestershire through the Enhanced Partnership we will encourage them to keep fares as low as possible within commercial viability. We will also encourage operators to offer discounted fare products such as day, weekly or monthly tickets and to participate in multi-operator ticketing to help grow the overall bus market and reduce the cost of use where more than one operator's services are used in making journeys by connection.
- 12.2. Bus fares for supported services will be set in line with those on commercial services in the area. On supported local bus service contracts children's fares will be available at all times. Children are defined by age as being 5 to 15 inclusive. Children under the age of 5 will be carried free of charge provided they do not occupy a seat to the exclusion of a fare-paying passenger. We will monitor the fares on supported services operating in Leicestershire to ensure fairness and consistency.
- 12.3. **Multi operator tickets** are tickets that can be used on buses provided by more than one service operator. They can make bus use more convenient and affordable and can help attract new passengers to bus services. We strongly support multi operator ticketing as a way of growing the bus travel market and will work cooperatively with operators to pursue any opportunities to provide additional schemes in the future.
- 12.4. **Smart ticketing** is where a ticket is stored electronically on a microchip rather than printed on a paper ticket. This microchip can be embedded in a smartcard or on a smart phone. Smart ticketing is also now achievable using

contactless EMV bank cards (rather than dedicated transport smart cards), as used in London.

- 12.5. Smart ticketing opens up alternative ways of buying, collecting and using tickets that are often easier for passengers and also reduce boarding times at bus stops. Leicestershire County Council strongly supports smart ticketing (particularly where used in conjunction with multi-operator ticketing) and is willing to work with operators through Enhanced Partnership arrangements or other means to realise greater use of smart tickets and ticket capping in Leicestershire.

#### Our enhanced offer

- 12.6. Subject to availability of external funding, we will consider and trial schemes to encourage public transport usage. Such schemes might include fares and ticketing trials to reduce the cost of travel, and enhanced marketing and promotion of services to raise awareness of public transport among the general public for whom lack of information is often a barrier to use.

### 13. Concessionary travel

- 13.1. We will continue to fund the statutory English National Concessionary Travel Scheme for older and disabled people boarding local buses in Leicestershire. This gives free bus travel within the nationally-defined days and times for eligible older and disabled people.
- 13.2. We will also continue with a discretionary enhancement to the scheme in Leicestershire, provided it remains affordable. This allows concessionary pass holders to travel on Park & Ride buses in the county (which are not covered by the mandatory national concession) for a reduced fare on production of their pass.

### 14. Dealing with service disruptions

- 14.1. The County Council understands that road works on the highway network can cause service disruption and delays to passenger transport services. The majority of these works are undertaken by utility companies, the County Council or developers.
- 14.2. Through the introduction of a new Road Works Permit Scheme the County Council will seek to improve the co-ordination, control and communication of road works on the highway. Experience has shown that a permit scheme can reduce disruption for passenger transport operators caused by road works and minimise the impact these works have on service reliability and punctuality. As part of the new Road Works Permit Scheme promoters of roadworks in Leicestershire will be advised if their proposed works are on a

passenger transport route.

- 14.3. Where planned road works may affect passenger transport services, we will expect that road works promoters:
- Engage early with and provide timely, clear, accurate and appropriate information to stakeholders, including public transport operators; and
  - Provide evidence that they have considered and understood the breadth/impact of their proposals on all road users, including passenger transport users, and have adequately mitigated any adverse avoidable impacts before they are implemented.
- 14.4. In most cases, we would expect operators to modify their service routing temporarily (including suspension of stops) to accommodate the works and publicise the temporary changes accordingly. In a minority of cases the passenger transport services may need to be curtailed temporarily.
- 14.5. In all cases of passenger transport service disruption, the works promoter will be expected to consider the needs of users of those services and, if necessary, put forward a proposed alternative solution (in cooperation with service operators and the County Council) for meeting those needs. This will need to take account of:
- The nature and extent of the works
  - Their duration
  - The availability of alternatives
- 14.6. The County Council will seek to obtain any relevant costs associated with such solutions from the works promoter.
- 14.7. Where the duration of disruption is one weekday (excluding public holidays) or less or the extent of disruption is minor, there may be no need for alternative service provision, provided the service disruption is appropriately publicised.
- 14.8. Passenger service operators will be encouraged to access the road works website ([www.roadworks.org](http://www.roadworks.org)) regularly to obtain up to date information regarding all known roadworks in the county, to enable collaborative and effective service planning.



## Equality Impact Assessment (DRAFT)

<b>Name of policy</b>	Passenger Transport Policy & Strategy (PTPS)
<b>Department</b>	E&T
<b>Who has been involved in completing the EIA?</b>	Lee Quincey
<b>Relevant contact information</b>	<a href="mailto:Lee.Quincey@leics.gov.uk">Lee.Quincey@leics.gov.uk</a> Tel: 0116 305 6308
<b>Who is completing the EIA?</b>	Lee Quincey

<b>What is the proposal?</b>	<p>To implement a revised PTPS which enables the Council to take a more flexible approach to help support communities and their high priority journey needs. This is through efficient use of its budgets and utilising the commercial bus market through the Enhanced Partnership to maximise a sustainable service offer to passengers and help stabilise the commercial market.</p> <p>The revised PTPS will enable a blended, layered approach to passenger transport provision, with a mix of traditional scheduled services and other solutions, such as demand responsive transport (DRT) and digital demand-responsive transport (DDRT.) The PTPS would continue to operate in the context of any future remodelling of the passenger transport network in Leicestershire. Remodelling proposals would be subject to a further equality impact assessment.</p> <p>The revised PTPS would mitigate risks to the Council's own budgets caused by fluctuations and uncertainty in levels of future Government funding for passenger transport services, by setting out a revised mechanism for considering support for services.</p> <p>Leicestershire County Council does not have a statutory duty to provide or support passenger transport. The Council's statutory duty requires transport provision so far as the Council considers it appropriate to meet any public transport requirements which would not otherwise be met and consider what would be appropriate services to meet those needs.</p> <p>Support would be determined based on net subsidy cost per passenger per kilometre, accessibility (number of residents who would have no alternative access to facilities,) and access to opportunities/facilities based on what combination of city, town or local centre the service accesses. More detail about the assessment process and criteria can be found in Paragraphs 52-54 of the Cabinet report to which this EIA is appended.</p> <p>The revisions would allow temporary support to be provided for necessary services that become unviable for operators. This would be in the form of "de minimis" arrangements for a period of time, in conjunction with a plan to bring the service back to commerciality. This would reduce the risk of vital services being withdrawn.</p> <p><b>Context</b></p>
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	<p>A review of supported services started in early 2023 with the view to address a £1m shortfall in the passenger transport budget and to deliver a further £200,000 Medium-Term Financial Strategy (MTFS) saving per year.</p> <p>This work was halted and a review of the PTPS was commissioned following the award of additional revenue funding (known as BSIP+) from the Department for Transport (DfT) for the financial years 2023/24 and 2024/25. There was a further award of funding from savings from the second leg of HS2, for 2024/25.</p> <p>The DfT expects this funding to be targeted on actions that the Authority and its Enhanced Partnership with operators believe will deliver the best overall outcomes in growing long term patronage, revenues and thus maintaining service levels, whilst maintaining essential social and economic connectivity for local communities. In addition, the DfT expects the funding to be used to maintain existing service levels or on measures that are consistent with Departmental guidance on Bus Service Improvement Plans (BSIPs.)</p>
<p><b>What change and impact is intended by the proposal?</b></p>	<p>There may be some changes to routes and type of transport to best meet priority journey needs. These are largely expected to be positive changes for passengers, providing, where possible, better access to more commercial centres, and more DRT in rural areas.</p> <p>Services would be ranked by priority to allow for changes to levels of support based on fluctuating funding. “Lifeline” services to access essential facilities would be retained.</p>
<p><b>What is the rationale for the proposal?</b></p>	<p>The refreshed PTPS is required to ensure longer-term flexibility for a sustainable, value-for-money and fit-for-purpose passenger transport network across Leicestershire, that meets people’s high priority journey needs, the Government’s ambitions set out in the National Bus Strategy and Leicestershire’s BSIP.</p> <p>Government funding is likely to fluctuate in coming years and the Council needs to be able to adapt to this to ensure that services remain affordable and best value for money within the context of its wider budget pressures.</p>

What evidence about potential equality impacts is already available? This could come from research, service analysis, questionnaires, and engagement with protected characteristics groups.

<p><b>What equalities information or data has been gathered so far?</b></p>	<p>Equality and Human Rights Impact Assessment for the 2018 Cabinet report, which was informed by an extensive consultation to inform the adopted PTPS.</p> <p>Intelligence gained in response to the continued management of impacts of changes to the commercial bus network.</p>
<p><b>What does it show?</b></p>	<p>As the proposal should sustain and potentially make services more fit-for-purpose in the short term, there should be no additional negative impacts, but if services are reduced in line with reduced budgets in the future it may more negatively impact people with the following protected characteristics:</p> <ul style="list-style-type: none"> <li>• Age</li> <li>• Disability</li> </ul>

	<ul style="list-style-type: none"> <li>• Pregnancy &amp; maternity</li> <li>• Sex (greater impact on females)</li> <li>• Rural communities</li> <li>• Areas of deprivation</li> </ul>
<b>What engagement has been undertaken so far?</b>	<p>Full public consultation in 2018 prior to approval of the current PTPS.</p> <p>Engagement with the Highways and Transport Overview and Scrutiny Committee.</p>
<b>What does it show?</b>	<ul style="list-style-type: none"> <li>• A snapshot of needs and aspirations of individuals and communities, including purpose of journey, alternatives available to individuals, the impact on individuals if there were no bus service, and what is important to individuals and community groups.</li> <li>• Overall, there was broad agreement with the majority of aspects of the PTPS – such as supporting operators to provide services commercially; core operating times; proposed priority groups and journey purposes; supporting Community Transport schemes; and encouraging and supporting communities to develop local transport solutions.</li> <li>• The only aspect listed which was less supported was providing DRT as an alternative solution where subsidised bus routes do not provide value for money.</li> </ul>

Please specify if any individuals or community groups who identify with any of the protected characteristics may **potentially** be affected by the policy and describe any benefits and concerns including any barriers.

Use this section to demonstrate how risks would be mitigated for each affected group.

<b>AGE</b>	
<b>What are the benefits of the proposal for those from the following groups?</b>	<p>Many users of supported services are concessionary pass holders, i.e. elderly people, or people with disabilities, so by the nature of supporting services that are not provided by commercial operators, this section of the community is supported.</p> <p>Some areas may see infrequent, inflexible bus services replaced with services designed to be flexible and meet the needs of communities. For example, DRT/DDRT services could be designed which coincide with market days in specific local centres to enable service users to travel at the times which are the most suited to them.</p> <p>Grant-funded Community Transport is also available for elderly people who are disabled, infirm and isolated (subject to eligibility criteria being satisfied). See “What action is planned?” below for more detail about the Council’s strategic priority outcomes and commitment to priority groups.</p>
<b>Are there any specific risks or concerns?</b>	<p>SHORT-TERM there are no significant risks. Concerns about ability to book DDRT online are mitigated by the requirement for DDRT services to be bookable by phone as well as through an app.</p> <p>LONGER-TERM Although future Government funding is anticipated post-2024/25, it is not guaranteed. In the event that funding reduces to the point where a reduction in</p>

	<p>service is needed, it may be more difficult for older people to access services and get around the county. This may lead to increased potential for isolation.</p> <p>Younger people are not identified as a priority group, as the priority groups were based on significant usage of current services and the importance of provision for those who would otherwise be unable to access essential services, such as food shopping or primary health care.</p>
<b>DISABILITY</b>	
<b>What are the benefits of the proposal for those from the following groups?</b>	<p>The majority of users of supported services are concessionary pass holders, i.e. elderly people, or people with disabilities, so by the nature of supporting services that are not provided by commercial operators, this section of the community is supported.</p> <p>Some users with disabilities may have more flexible and responsive transport to access, for example, through the provision of DRT/DDRT.</p> <p>Grant-funded Community Transport is available for people who are disabled, infirm and isolated (subject to eligibility criteria being satisfied). See “What action is planned?” below for more detail about the Council’s strategic priority outcomes and commitment to priority groups.</p>
<b>Are there any specific risks or concerns?</b>	<p>SHORT-TERM Concerns about ability to book DDRT online are mitigated by the requirement for DDRT services to be bookable by phone as well as through an app. This concern was also noted by the Environment &amp; Transport Overview &amp; Scrutiny Committee at its meeting on 9 November 2023. Any roll-out of DDRT service apps should ensure they are optimised for accessibility.</p> <p>Taxi DRTs are bookable by phone, however, there is not a specific requirement for them to be fully accessible. Any provision where this is an issue would be looked into, or information given on Community Transport services that may better meet disabled passengers’ needs.</p> <p>LONGER-TERM Although future Government funding is anticipated post-2024/25, it is not guaranteed. In the event that funding reduces to the point where a reduction in service is needed, it may be more difficult for people with disabilities to access services and get around the county. This may lead to increased potential for isolation.</p> <p>Taxi DRTs are bookable by phone, however, there is not a specific requirement for the vehicles to be fully accessible. Any provision where this is an issue would be looked into, or information given on Community Transport services that may better meet disabled passengers’ needs.</p>
<b>RACE</b>	
<b>What are the benefits of the proposal for those from the following groups?</b>	<p>It is not anticipated that there will be any specific positive or negative impacts arising from race.</p>

<b>Are there any specific risks or concerns?</b>	It is not anticipated that there will be any specific positive or negative impacts arising from race.
<b>SEX</b>	
<b>What are the benefits of the proposal for those from the following groups?</b>	The majority of service users identify as female (65%). If services are replaced with more flexible alternatives, i.e. DRT, then this may be of benefit as opposed to a traditional bus service.
<b>Are there any specific risks or concerns?</b>	There are no anticipated risks or concerns in the short-term.  Longer-term, if funding reduces to the point where a reduction in service is needed, and given that the majority of bus users are female, numerically there would be a greater impact on this group.
<b>GENDER REASSIGNMENT</b>	
<b>What are the benefits of the proposal for those from the following groups?</b>	It is not anticipated that there will be any specific positive or negative impacts arising from gender reassignment.
<b>Are there any specific risks or concerns?</b>	It is not anticipated that there will be any specific positive or negative impacts arising from gender reassignment.
<b>MARRIAGE &amp; CIVIL PARTNERSHIP</b>	
<b>What are the benefits of the proposal for those from the following groups?</b>	It is not anticipated that there will be any specific positive or negative impacts arising from marriage and civil partnership.
<b>Are there any specific risks or concerns?</b>	It is not anticipated that there will be any specific positive or negative impacts arising from marriage and civil partnership.
<b>SEXUAL ORIENTATION</b>	
<b>What are the benefits of the proposal for those from the following groups?</b>	It is not anticipated that there will be any specific positive or negative impacts arising from sexual orientation.
<b>Are there any specific risks or concerns?</b>	It is not anticipated that there will be any specific positive or negative impacts arising from sexual orientation.

<b>PREGNANCY &amp; MATERNITY</b>	
<b>What are the benefits of the proposal for those from the following groups?</b>	Some users in this group may have access to more flexible and responsive transport, for example, through the provision of DRT/DDRT.
<b>Are there any specific risks or concerns?</b>	There are no anticipated risks or concerns in the short-term.  Longer-term, although future Government funding is anticipated beyond 2024/25, it is not guaranteed. In the event that funding reduces to the point where a reduction in service is needed, this could negatively impact those going through pregnancy and maternity. This could be particularly an issue if there is a reduction in access to primary healthcare services. However, priority has been given to services which allow access to primary healthcare to reduce the risk of negative impacts to those who require these services.
<b>RELIGION OR BELIEF</b>	
<b>What are the benefits of the proposal for those from the following groups?</b>	It is not anticipated that there will be any specific positive or negative impacts arising from religion or belief.
<b>Are there any specific risks or concerns?</b>	It is not anticipated that there will be any specific positive or negative impacts arising from religion or belief.
<b>OTHER GROUPS</b> e.g. rural isolation, deprivation, health inequality, carers, asylum seeker and refugee communities, looked after children, deprived, armed forces, or disadvantaged communities.	
<b>What other groups/situations may be impacted?</b>	<ul style="list-style-type: none"> <li>• Rural isolation</li> <li>• Deprivation or disadvantaged communities</li> <li>• Health inequality</li> <li>• Carers</li> </ul>
<b>What are the benefits of the proposal for those from these groups?</b>	Some users from these groups may have access to more flexible and responsive transport, for example, through the provision of DRT/DDRT. This applies particularly to rural areas.
<b>Are there any specific risks or concerns?</b>	In the short-term there are no anticipated risks.  Longer-term, although future Government funding is anticipated beyond 2024/25, it is not guaranteed. In the event that funding reduces to the point where a reduction in service is needed, it may have a negative impact on rural communities as they may have reduced access to services and find it more difficult to get around the county. There may also be a disproportionate impact on areas of deprivation, particularly in deprived rural areas, as those without access to other modes of transport may have their opportunities for travel reduced.  There is a risk that potential service reduction could limit some individuals from accessing community services or getting out into their community.

**ACTION PLAN**

<p><b>What concerns were identified?</b></p>	<p>In the short-term (next two years) the one concern identified was around the accessibility of the booking system for DDRT.</p> <p>Longer-term, if funding levels reduce, some services may no longer be supported and would therefore cease to operate or be reduced. As a result, individuals who use these services could be negatively impacted as they will no longer receive the services they currently use. As noted above, there is the potential for this to disproportionately impact older people, people with disabilities, and people who live in isolated or deprived areas.</p>
<p><b>What action is planned?</b></p>	<p>The PTPS describes specifically the approach to priority groups:</p> <p>“As noted in our PTP document, to deliver the Council’s Strategic Plan priority outcomes there is emphasis on supporting a high level of health and wellbeing (including combating isolation), and on helping deliver the right conditions for a thriving local economy. We also have a statutory obligation to consider the needs of ‘elderly and disabled’ people in determining what to support and how to provide passenger information.”</p> <p>“Meeting some key needs of older, disabled or isolated people is therefore given higher priority than meeting needs of other sectors of the population. We also give higher priority to meeting the needs of people living in employment-deprived areas in order to help them access the job market. This prioritisation is in line with Leicestershire’s Third Local Transport Plan (LTP3), which emphasises ‘continuing to improve the connectivity and accessibility of our existing transport system for vulnerable individuals, groups and communities’.”</p> <p>Where commercial or supported services are not provided, there are Community Transport schemes across Leicestershire which are grant funded by the Council for use by priority groups where eligible.</p> <p>The revised PTPS should allow for more suitable or creative solutions within budget constraints. The changes to criteria for support are likely to result in more positive outcomes, such as more support for services that reach more opportunities in local centres, towns or city, rather than the current focus on meeting essential travel needs to the nearest local centre. If funding reduces, then the PTPS gives an evidence-based priority assessment to ensure that support is given to highest priority services.</p> <p>The Director of Environment and Transport, following consultation with the Cabinet Lead Member, has existing delegated powers to implement the outcome of service reviews as previously agreed by the Cabinet on 16 October 2018.</p> <p>Before any changes are implemented to a service, local communities will be engaged with to ensure that the changes are clearly understood, and, where appropriate, work with the community to help shape suitable DRT/DDRT provision.</p>

	<p>There is also potential for targeted personal travel planning to take place in specific areas to support people in using services and making passenger transport the travel option of choice. This would be particularly valuable in areas to be served by non-traditional scheduled routes.</p> <p>A feasibility study is underway on rolling out further DDRT pilots. As with the existing pilot, passengers would be able to book by phone as well as by app. DDRT vehicles are expected to be accessible. Any further roll-out of DDRT should ensure that apps/phone lines are optimised for accessibility.</p>
<b>Who is responsible for the action?</b>	The Director of Environment and Transport, following consultation with the Cabinet Lead Member, is responsible for making decisions based on the application of the PTPS.
<b>Timescale</b>	The PTPS would be adopted for all future decisions relating to subsidised passenger transport services. Services would be reviewed at an appropriate time in accordance with contract end dates. New proposed services, or proposed changes to/withdrawal of services by operators would be addressed when they arise.
<b>How will the action plan and recommendations of this assessment be built into decision making and implementation of the proposal?</b>	For service changes, engagement with relevant communities would take place at an appropriate time. If beneficial, targeted personal travel plans could be carried out at a similar time.
<b>How would you monitor the impact of your proposal and keep the EIA refreshed?</b>	<p>The Council's PTPS aims to ensure that Leicestershire residents have access to important services such as food shopping and healthcare. Feedback and requests for passenger transport services received via established County Council communication channels will continue to be considered in relation to current service provision in line with the PTPS as part of business-as-usual operation.</p> <p>The Council's BSIP recognises the rural transport challenges for Leicestershire (as outlined in the impact analysis of this EIA) and the Council will continue to explore innovative solutions to tackle these challenges and set aspirations within the BSIP as part of its annual review process. The recent allocation of BSIP+ funding is allowing the Council to carry out feasibilities into these. As a condition of the funding, it has to provide assurance to the DfT through provision of data on performance.</p> <p>The Council's Enhanced Partnership will be the delivery vehicle for its BSIP and views/feedback from users and operators will be fully considered to inform any future BSIP aspirations.</p> <p>A review of the PTPS has been undertaken to ensure it is aligned with the BSIP. As the BSIP is refreshed on an annual basis, a PTPS compatibility check will be made to ensure the PTPS remains fit for purpose and in line with the Council's passenger transport aspirations.</p>



	The appropriateness of the EIA will be reviewed accordingly as part of the above.
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