

## Appendix 1

### Questions and outline responses

*The Strategic Case sets out the challenges facing the local bus market and says that it is not performing as well as it could. Do you have any comments on this?*

Bus services are critically important to Manchester. They are used by many more city residents than other modes of public transport and bus services perform a vital role in connecting residents of the city to employment and to the many other services that people rely on a daily basis such as shops, doctors' surgeries, education, open space and places to meet with friends and neighbours.

The standard of service offered through the current deregulated model has, however been a long standing concern to the Council. These concerns have been raised on a number of occasions by Members of the Council and by local residents. A particular concern is that the current level of service differs from area to area and at different times of the day and week and not all parts of the city have access to the key public transport connections that they need. The Oxford Road and Stockport Road Corridors have, for example, an extremely extensive level of service, whereas services on some key routes in the north of the city are far less comprehensive, particularly off peak and in the evenings and at weekends. Other concerns include:

- the current system of operation has led to significant differences in fares and the ticketing offers between different routes and parts of the city. As many tickets are only valid on one operator's services changing between operators often results in a financial penalty. The recent ending of the agreement for operators in the north of the city to operate a joint ticketing scheme is a recent example of the lack of simple fare offers to bus users;
- there is an emphasis on radial travel; services connecting neighbourhoods not on these main routes are not so well provided for. This can affect access to important services, including hospitals (North Manchester General, for example), doctors' surgeries, shops and employment opportunities beyond the city centre;
- city residents often need to access facilities in neighbouring parts of Greater Manchester and the current bus network does not always provide the cross boundary connections required;
- there are particular areas of the city and some key radial routes where the pattern of services is currently particularly sparse, especially in the evenings and increasing the frequency or the density of services would bring significant benefits in terms of connecting residents to the facilities they need to reach.
- as mentioned above, the overall pattern of accessibility offered by the bus network therefore varies across the city and this presents particular difficulties for residents living away from main bus routes who sometimes find the journey to the main route difficult;

- the current system leads to a relatively volatile bus network where changes to services can happen frequently with operators able to de – register services or introduce new ones by giving 70 days’ notice to the Traffic Commissioner. This can be a particular concern for residents who want to plan longer term and is a particular issue for parents and schoolchildren who could potentially choose a school on the basis of its accessibility by bus only to find that the service could subsequently be withdrawn;
- the recently approved Local Industrial Strategy, emphasises the importance of connecting people to the opportunities created by Greater Manchester’s economic growth. Although the City Centre and the Airport are the primary locations for economic growth, investment is also expected in other key GM locations, and connections to these jobs should be a priority for a bus network in a sustainable and inclusive city;
- there are issues with ticketing, including the lack of clarity over pricing and the limited availability of tickets that permit multimodal travel;
- much of Greater Manchester’s bus fleet is made up of buses that do not meet the latest emission standards. In some key locations in the city buses currently make a considerable contribution to the illegal levels of air pollution which exist in some places. While buses are an environmentally sustainable form of transport, emitting less carbon and other emissions per passenger than the private car, there is a need to make rapid improvement to the environmental performance of the fleet. A Franchised model will provide a sounder platform for public investment, in support of this objective, than the current deregulated model; and
- at present there are significant barriers to developing an integrated transport network, including ticketing and the coordination of timetables and routes.

Manchester is a fast growing and dynamic city. Over the last twenty years new communities have developed and after a prolonged period of decline in the latter half of the twentieth century the city’s fortunes have turned around. Areas of the city have seen a resurgence in economic activity and have seen large rises in population. At present the bus market is often slow to recognise the opportunity that this changing geography brings. A franchised model would enable a much closer relationship to exist between transport and land use planning and enable transport services to be in place from day one of a new development or residential area rather than there often being a time lag as at present.

A further key area of concern is that Greater Manchester has failed, over the years since 1986 (when buses were deregulated), to achieve a fully integrated and attractive ticketing system of the type that is enjoyed in London and is in place in many cities in continental Europe. Introduction of a franchised model of bus operation is likely to make achieving such a system much easier.

*The Strategic Case says that reforming the bus market is the right thing to do to address the challenges facing the local bus market. To what extent do you agree or disagree with this? Why do you say this?*

The City Council considers that for the reasons set out above the current deregulated market has failed to deliver the consistency and quality of bus services that the city aspires to. A franchised model would give the public sector control over standards of service, fares, frequencies and vehicle types – the key factors that make for an attractive and effective bus service

*The Economic Case concludes that the Proposed Franchising Scheme provides the best value for money compared to the partnership options because it would:*

- *offer a 'high' ratio of benefit to the cost to GMCA, one which is broadly comparable with the partnership options,*
- *provide the most economic value (Net Present Value), and*
- *create the best platform from which further economic value could be delivered.*

*Do you have any comments on this?*

The Council supports the overall conclusion of the assessment. There has been a long standing concern regarding the lack of transparency that exists in terms of the overall value for money to the public purse that is provided through the current system of bus operation. An enhanced partnership model is unlikely to alter the current situation. A franchised system of operation would allow the public sector to specify the key outputs that it expects in return for public the substantial current public investment in the bus network and lead to a much greater level of transparency regarding overall costs and benefits.

*The Financial Case concludes that GMCA could afford to introduce and operate the Proposed Franchising Scheme. After completing the Assessment and in advance of this consultation, GMCA has proposed how it would fund the introduction of a fully franchised system. Do you have any comments on these matters?*

We will continue to work with GM Treasurers on ensuring there is transparency on the financial implications and that a reasonable funding strategy is developed. This will need to take into account other priorities GMCA are seeking to fund eg free travel for 16-18 year olds, the impact on the council tax precept and the potential availability of other sources of GM funding.

*Taking everything into account, the Assessment concludes that the Proposed Franchising Scheme is the best way to achieve GMCA's objectives to improve bus services. Do you have any comments on this?*

The Council fully supports the introduction of a franchised system of bus operation for the reasons set out above.

### Other Issues

The proposal to introduce the Franchising scheme in three separate tranches will mean that parts of the city will see the transition take place at different times. While the rationale for this approach is understood TfGM are requested to continue to consider how this transition can happen in a way that minimises disruption to bus users in the city.