

# Residents meeting to discuss changes to bus service in Portishead.

*Have your say*

Including representatives from First Bus, North Somerset Council and Stagecoach.

## **When and where?**

Wednesday 9th February 2022 @7.30pm Somerset Hall, Portishead

**To join the meeting online via zoom please use this link:**

<https://bit.ly/3IL6Xii>

**Meeting ID:** 943 5461 7426    **Passcode:** 448715

**Dial in by phone** 0203 481 5237 United Kingdom (National call rate)

# Bus Service in Portishead

## Quotes from North Somerset Draft Local Plan

The Local Plan strategic priorities are as follows:

To reduce car use, encourage walking and cycling, and high quality and **effective public transport**.

To deliver essential new strategic transport infrastructure to support new development and enable **more sustainable travel options**.

### Climate change

Prioritise active travel and **effective public transport** over car use wherever possible.

### Transport

Delivery of attractive, safe, and inclusive routes for walking and cycling which are well integrated into existing networks and provide access to

**effective and frequent public transport**.

**Delivery of better local bus**, rail and rapid transit services and infrastructure supporting uptake in public transport use

**within and between towns in North Somerset and further afield**



# Update on Public Transport

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January 27<sup>th</sup> 2022

# Context for Public Transport (Pre-Covid)



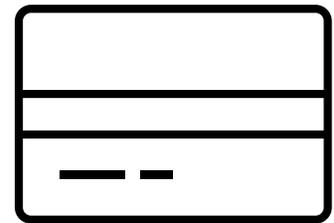
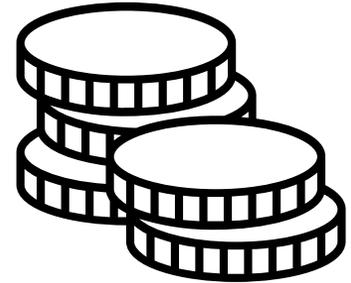
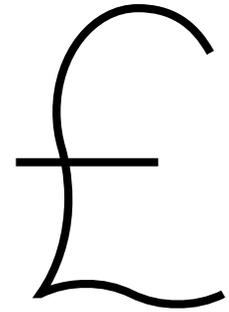
- Majority of Bus Services are operated commercially with no financial support from North Somerset Council. Main Operator is First Bus
- This means operators decide the routes, start and finish times, frequency and Fares. Operators may choose to engage with the Council on these matters but there is currently no obligation on them to do so, unless the route is withdrawn.
- North Somerset Council has to provide bus infrastructure and bus timetable information to support the routes operators choose to operate (Statutory obligation)
- The Council also funds a small number of bus services to supplement the routes operated by First. These would not run without the Council's financial support. We currently spend c.£650K from various sources (revenue, S106, grants etc.) A bus for 1 year costs c.£150-200K. Fares income would reduce this amount
- We do provide funding for concessionary travel and the law requires this to be on a "no better and no worse off" basis.
- Rail Services are operated under franchises. These are let by the Department for Transport. The franchise specification is consulted upon but otherwise North Somerset has no say in train services

# Context for Public Transport

## – Impact of COVID

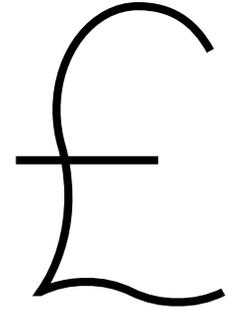
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- From April 2020 to Aug 2021. Operators were paid “Covid Bus Services Support Grant”. This required operators to operate at least 90% of route mileage. In reality they were actually operating >100% due to additional vehicles to accommodate social distancing. This had to be agreed with the Local Transport Authority but payments made directly to operators
- Since Sept 2021 this has been replaced by “Bus Recovery Grant”. Still have to operate >90% of route mileage but operators have more freedom to amend routes and change fares. Part of Governments plan to transition back to a commercial network. Again paid directly to bus operators with no LA involvement
- Bus Recovery Grant currently scheduled to **end** March 2022.
- Due to Government instruction, Concessionary Fares continue to be paid at Pre-Covid levels despite drop in patronage. This will be phased out over 2022/23 when reimbursement will be returned to actual levels of usage.
- Consequence of this is that **no** bus service currently operates without some public sector support
- Rail is also supported by Government. Some reductions in services during 2020 when demand was reduced but services have now largely returned to pre-COVID levels.

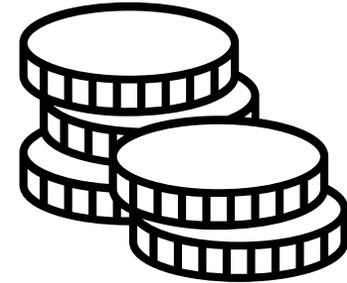


# Context for Public Transport

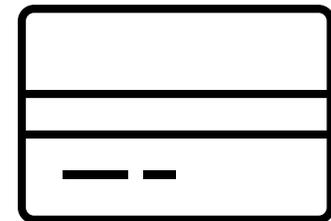
## – First Group Financial Performance



- Annual report (Mar 21) states “Inflection point for First Bus, with most supportive economic and sustainability-driven government policy backdrop for the industry in decades, and clear path to raise margins to 10% post-pandemic
- Taxpayer funding has enable First to maintain profit margins
- Extract from September 2021 Half yearly results



	H1 2022 (£m)			H1 2021 (£m)			Change (£m)		
	Cont.	Disc.	Total	Cont.	Disc.	Total	Cont.	Disc.	Total
Revenue	2,139.1	970.6	3,109.7	2,053.1	1,048.5	3,101.6	+86.0	(77.9)	+8.1
Adjusted <sup>1</sup> operating profit	51.8	121.3	173.1	55.7	(45.3)	10.4	(3.9)	+166.6	+162.7
Adjusted <sup>1</sup> operating profit margin	2.4%	12.5%	5.6%	2.7%	(4.3)%	0.3%	(30)bps	+1,680bps	+530bps
Adjusted <sup>1</sup> profit/(loss) before tax			103.7			(73.3)			+177.0
Rail management fee-adjusted Attributable loss <sup>4</sup>			(1.2)			(10.4)			+9.2
Adjusted <sup>1</sup> EPS			6.6p			(5.3)p			+11.9p
Adjusted cash flow <sup>2</sup>			1,704.7			197.9			+1,506.9
Adjusted Net (Cash)/Debt <sup>3</sup>			(613.9)			1,532.1			+2,146.0



# What Happens from April 22?



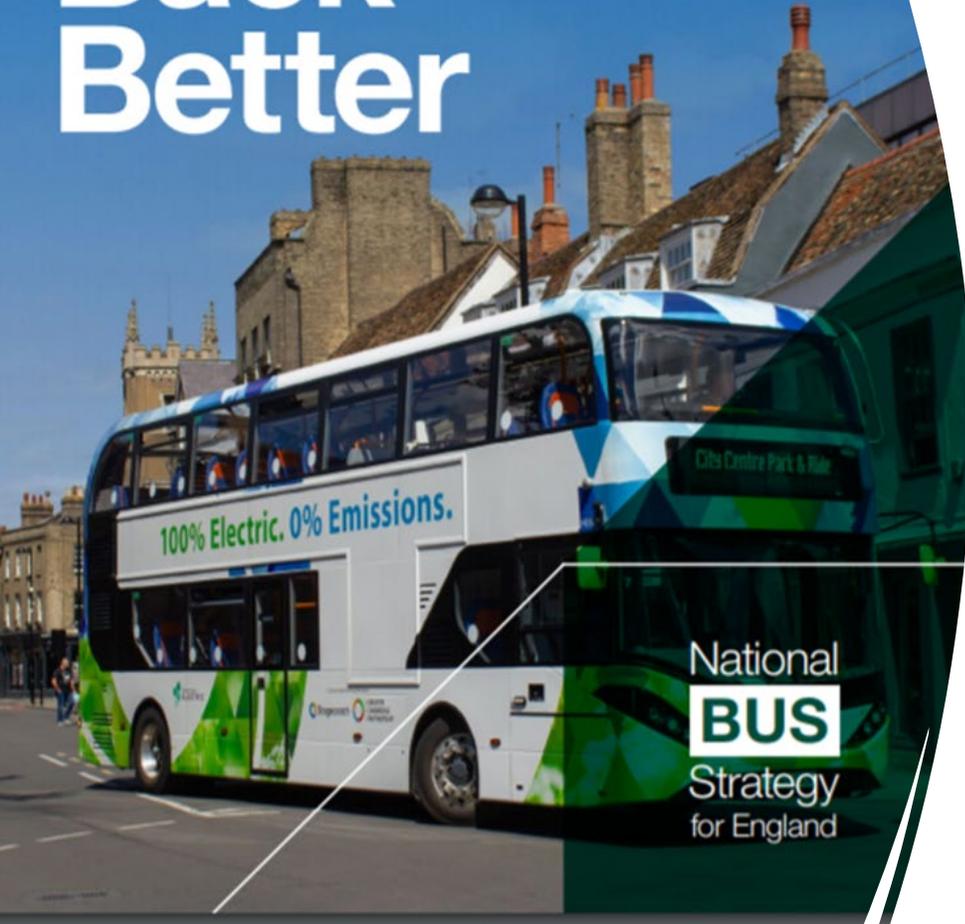
## Scenario 1

- Bus Recovery Grant finishes at end of March 22
- Bus patronage recovers to 70-80%?
- Will see withdrawal of routes, some re-routing or combining of services and reductions in frequency.
- NSC could increase the number of supported bus services, but funding will only be a fraction of what was necessary (remember c.2M lost passengers so loss of revenue is millions)

## Scenario 2

- Bus Recovery Grant Extended (3-6 months?).
- Bus patronage recovers to 80+%?
- Impact on network likely to be similar to scenario 1, though 1 or 2 additional routes could be retained due to higher patronage
- More time to review routes and develop networks & interchanges to maintain journey options
- Also, more time to plan and consider alternatives including more supported services
- Greater opportunity to promote Apps, ticketing opportunities etc.
- Better consideration of impact of Bus Transformation Funding when it is announced

# Bus Back Better



National  
**BUS**  
Strategy  
for England

## What about the Bus Service Improvement Plan?

- Bus Service Improvement Plan (BSIP) was submitted to Government in Oct 21. Joint Plan with WECA. <https://www.n-somerset.gov.uk/my-services/parking-travel-roads/transport-travel/bus-travel/bus-service-improvement-plan>
- No announcement yet on Funding – indicative allocations expected in February. However, WECA has received £540M CRSTS capital funding, which includes a large amount for public transport. Not eligible as not part of combined authority
- Letter received in January says £1.4 billion for BSIPs and Zero Emissions vehicles over 3 years. Mixture of revenue and capital. This is less than the £3 billion announced last year.
- The Enhanced Partnership, which is the delivery mechanism for the BSIP, was planned to be in place by end March 22. Now have to submit DRAFT by end of April. The Full Enhanced Partnership to be implemented by unspecified future date.
- Enhanced Partnership, as a minimum, has to contain the following low-cost or no costs items:
  - Commit the relevant authority or authorities to continue providing existing bus priority measures
  - Implement low or no cost improvements including Bus Passenger Charters (as referenced in para 99 of the BSIP guidance) and high-quality information for all passengers (as referenced in para one of the BSIP guidance).
  - Be flexible to incorporate further enhancements through variation if funding becomes available.

# What is changing in Portishead?

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- There is a 30-40% drop in patronage on the current X3/X3A, X4, X5 services yet first are still operating 90% of the pre covid mileage.
- The X3 will be withdrawn from the 29/01/2022. It largely duplicates the X5 and sections of the X4
- The X4 will be re-instated to a 30 minute frequency and route via Pill and the A369 / Bedminster.
- The X5 will remain as an hourly service, and route permanently via the A4 Portway
- The Marina section of the X3 will no longer be served by a commercial service. And be replaced with a council supported service.
- Local cheaper flat fares are to be introduced in Portishead, Clevedon and Nailsea. There are other fares changes too.
- Residents will need to interchange between the X5/X4 and supported services going forward.

# SUMMARY



- COVID-19 has had a significant impact on public transport use in North Somerset. C.2M lost bus passengers
- Significant funding uncertainties remain with funding cliff-edge at end of March and return to fully commercial network
- Some cuts/ changes to services likely, sooner or later, depending on whether Government extends funding.
- Indicative Funding for BSIPs expected in February
- New Enhanced Partnership regime postponed from end of March to unspecified future date