

Planning, Housing & Environment Overview & Scrutiny Committee

Date: 17 April 2018

Subject: Greater Manchester Bus Services Update

Report of: Michael Renshaw, Executive Director TfGM

1. PURPOSE OF REPORT

- 1.1 To update on the process in relation to the preparation of an assessment of a proposed bus franchising scheme for Greater Manchester and associated next steps, in line with the Bus Services Act 2017.

2. RECOMMENDATIONS

- 2.1 That the committee:
- a) Note the contents of the report and request that further updates be provided as appropriate.

3. CONTACT OFFICERS

- 3.1 Michael Renshaw, Executive Director, TfGM
Michael.renshaw@tfgm.com
- 3.2 Rod Fawcett, Head of Policy, TfGM
Rod.fawcett@tfgm.com

4. BACKGROUND

- 4.1 Presentation on GM Bus Services to Planning, Housing and Environment Overview and Scrutiny Committee, 18 October 2017
- 4.2 Bus Services Act 2017 update to Planning, Housing and Environment Overview and Scrutiny Committee, 7 September 2017
- 4.3 Report on Bus Services Act to GMCA, 30 June 2017
-

The following is a list of the background papers on which this report is based in accordance with the requirements of Section 100D(1) of the Local Government Act 1972. It does not include documents, which would disclose exempt or confidential information as identified by that Act.

- As noted in Background section above

The above papers and documents may be inspected during normal office hours at GMCA, Churchgate House, 56 Oxford Street, Manchester M1 6EU.

1. INTRODUCTION

Members will be aware that the 2014 Greater Manchester Agreement between the GMCA and Government contained a commitment from the Government to introduce legislation in order to enable the directly elected Greater Manchester Mayor with new powers related to the provision of local bus services.

The resulting Bus Services Act 2017 (“the Act”) came into force on 27 June 2017, and it provides Greater Manchester with powers to reform the local bus market.

At a meeting of the GMCA on 30 June 2017, TfGM was instructed to prepare an assessment of a proposed bus franchising scheme in accordance with Section 123B of the Act.

The Scrutiny Committee received a version of this report at its first meeting, on 7 September 2017, and a month later received an in-depth briefing outlining the key features of the current bus market, an overview of TfGM activity in relation to bus, the strategic Vision for Bus, and an outline of the Act.

3. PROGRESS SO FAR

Bus franchising is a procurement method that sees the transport authority specifying the service requirements in a series of contracts, with bus operators competing for each contract to provide the services. It is a well understood and efficient competitive mechanism, and is the system used to provide bus services in London and in many cities and regions across the world.

In accordance with the Act, and following instruction from the GMCA on 30 June 2017, TfGM is preparing an assessment of a proposed franchising scheme for Greater Manchester, which will be informed by the Vision for Bus set out in the 2040 Transport Strategy.

In line with the Act, the assessment will describe the effects that the proposed franchising scheme is likely to produce, and compare making the proposed scheme to one or more other options for reform, such as partnerships.

In order to prepare a robust assessment which takes into account as wide a picture of the current bus network as possible, TfGM has requested and is in the process of receiving a wide range of information from bus operators who run local services within and into Greater Manchester. The Act and subsequent published regulations entitles TfGM, on behalf of the GMCA, to request this information, which includes, for example, information about the number of journeys run, passenger numbers and fare structures, costs and revenues.

In preparing the assessment, TfGM is also engaging extensively with bus operators to explore other realistic options for improving local bus services – such as partnership proposals.

4. PROCESS TO A MAYORAL DECISION

Following completion of the assessment, the GMCA will have to obtain a report from an independent auditor on the assessment in accordance with Section 123D of the Act. The assessment and auditor's report will then be considered by GMCA, which will take a decision on whether or not to proceed and hold a public consultation in accordance with Section 123E of the Act.

Following the consultation process, GMCA would prepare and publish a report setting out their response to the consultation. Depending on the nature of the responses received and the significance of any changes to the assessment made in light of the responses, the GMCA may be required to re-consult on the proposed scheme.

The Greater Manchester Mayor would then consider the consultation feedback report alongside the assessment of a proposed franchising scheme, and auditor's report, before making a decision whether to proceed with the proposed scheme.

5. RECOMMENDATIONS

Recommendations are set out on the front page of this report.