# P-06-1338 Extend the bus emergency scheme and develop national bus recovery plan

Y Pwyllgor Deisebau | 03 Gorffennaf 2023 Petitions Committee | 03 July 2023

**Reference:** SR23/5996-6

Petition Number: P-06-1338

**Petition title**: Extend the bus emergency scheme and develop national bus recovery plan.

**Text of petition**: During the pandemic the Welsh Government launched the bus emergency scheme (BES) to safeguard the bus network.

The Welsh Government are now looking to bring this scheme to an end, despite passenger numbers not recovering to pre-pandemic levels.

We want to see both the funding secured for this financial year, and a national bus recovery plan co-produced with bus operators, passengers, local authorities and others, in order to build more comprehensive, sustainable bus services.



# 1. Background

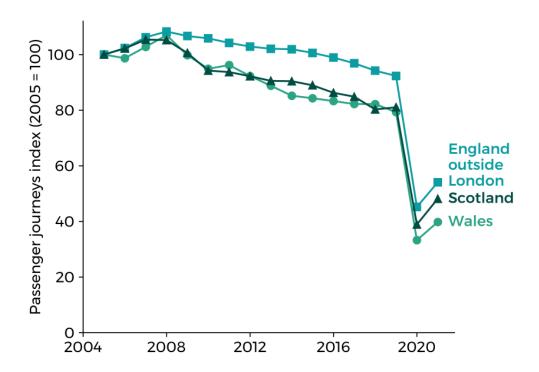
As the chart below shows, passenger numbers have been declining across Great Britain, outside of London, for a decade - part of a much longer downward trend.

Many factors are behind this trend, like increased online shopping, alternatives to bus travel, and changing public attitudes. <u>Increased congestion</u> is also key factor affecting bus service viability.

However, the chart also illustrates the profound impact of the Covid-19 pandemic. Demand has remained low following initial health concerns and advice against using public transport.

Index of passenger journeys on local bus services by country and year (excluding London)





Source: Department for Transport

Public transport in general, and bus services in particular, are <u>widely recognised as important</u> not only for addressing climate change, but also to address transport poverty.

### 2. Welsh Government action

# Modal shift and decarbonisation targets

The Welsh Government <u>aims for 45% of journeys to be made by sustainable modes</u> (public transport or active travel) by 2040. It estimates 32% of journeys are currently made this way.

<u>Net Zero Wales</u> aims for the most polluting 50% of buses to be replaced by a zero tailpipe emission bus fleet by 2028.

The Welsh Government has said meeting its modal shift and net zero targets present "a big challenge".

### Funding for bus services

The Welsh Government provides a range of financial support to the bus industry. In January, it provided a paper to the Senedd's Climate Change, Environment and Infrastructure (CCEI) Committee outlining its 2023-24 Climate Change Department draft budget allocations. This includes a five-year breakdown of all funding for bus services through various channels (see pages 15 and 16 of the paper).

The Welsh Government provided significant support to bus services during the pandemic through the establishment of the <u>Bus Emergency Scheme (BES)</u>. This has remained in place in one form or other since early 2020. The draft budget paper indicates that over £150m has been allocated to the BES between 2020-21 and 2022-23.

The paper also shows that £28m of BES funding was initially included in the Welsh Government's draft budget for 2023-24. This matched funding provided in 2022-23.

However on 10 February, less than three weeks after CCEI Committee's 25<sup>th</sup> January draft budget scrutiny session with the Climate Change ministers, the Welsh Government indicated that the future of this funding was in doubt.

It announced a three month "transitional period" from April 2023 before the scheme would be withdrawn. It said this would allow "short term stability" while government and operators "work together on planning bus networks which better suit the new travel patterns we have seen since the end of the pandemic".

In a <u>statement in March 2023</u> the Deputy Minister for Climate Change, Lee Waters MS, said the scheme would "now run until 24 July 2023" - a three week extension allowing school transport to "continue as normal". The statement continued:

I have asked TfW, local authorities and the Community Transport Association to establish regional network planning teams to understand the impact of the ending of BES and to resolve the network issues that are likely to arise from the change in funding regime. This will help optimise the network and maintain as much reach and access as possible.

The statement also announced establishment of an expert panel to advise on implementing the Welsh Government's 2022 <u>bus reform White Paper</u>.

On 23 May the Deputy Minister <u>made a further statement</u> giving an update on bus services. He said, "we have nearly reached a solution that will allow us to make further funding available to protect as much of the network as we can for the remainder of this financial year". The Welsh Government would make £46m available "from bus budgets to support BES and successor arrangements for the whole financial year" in addition to concessionary fares funding and other "regular support" for services.

However, he said the "challenge" is now to design a network "that can best serve passengers in the time we have available to plan, and within the funding that is available to us".

Responding to a question from Jack Sargeant MS the Deputy Minister said, "I do hope that, by the end of this, we'll be able to reassure Jack Sargeant's constituents that many, if not most of the services, will still be there".

The Deputy Minister's letter to the Chair responding to this petition predates the 23 May statement. The statement represents the most up to date position.

## 3. Welsh Parliament action

The future of BES has been discussed extensively in Plenary, including in <u>a Plaid</u> Cymru debate on the issue on 22 March. A number of written questions have also been tabled.

The CCEI Committee <u>took evidence on 11 May</u> from Welsh local authorities and representatives of the bus industry on the sustainability of bus services following the announcement. This evidence stressed the scale of the challenge in

responding to the funding reductions, but also highlighted that discussions are on-going with the Welsh Government.

This evidence session followed on from the <u>Committee's inquiry into bus and rail</u> <u>transport in Wales</u> which reported in January 2023. The inquiry considered how bus and rail services should be supported to recover from the impact of the Covid-19 pandemic.

Every effort is made to ensure that the information contained in this briefing is correct at the time of publication. Readers should be aware that these briefings are not necessarily updated or otherwise amended to reflect subsequent changes.