

Submission to the Department for Transport in response to the draft Local Transport Bill consultation by Campaign for Better Transport

7 September 2007

1 Introduction

- 1.1 Campaign for Better Transport, formerly Transport 2000, is an independent campaigning and research body that represents the key transport interests of around 40 environmental groups, transport organisations and transport unions. We bring together people who seek to reduce the environmental and social effects of transport through encouraging less use of cars, lorries and planes and more use of rail, buses, trams, cycling and walking.
- 1.2 Campaign for Better Transport broadly welcomes the direction of travel proposed in the draft bill. However, we are strongly concerned that measures outlined lack the force, urgency and depth to provide real travel choices to people, while tackling rising traffic growth, social exclusion and climate change.
- 1.3 Campaign for Better Transport submitted a response to Putting Passengers First in April 2007. In summary we welcomed the consultation paper and the thrust of the Government's proposals. We want to see better bus services, integrated with other modes of transport, as an alternative to cars in both rural and urban areas, and therefore treated as part of Government policies to reduce carbon dioxide emissions and oil dependence. However, we felt that the consultation proposals failed to move towards the step change in the quality and quantity of public transport provision that we feel is necessary. This involves valuing and enabling public transport to operate as a network. Ultimately we need minimum standards of service across the country, as in Switzerland and the Netherlands, with proper integration and appropriate funding. This is not about funding empty vehicles – it is about funding and marketing a reliable network of public transport services that can provide a real and well-used alternative to car use.
- 1.4 Campaign for Better Transport welcomes that Government's recognition that public transport improvements alone will not be sufficient to tackle congestion and climate change while provide travel choices. Road Pricing could play a vital role in tackling traffic growth and providing travel choices. The proposal outlined in the draft bill for PTAs to be subject to a requirement to have regard to Government policies and guidance on climate change needs to go much further. **We recommend that PTA's and Local Authorities are required to put in place measures that tackle climate change and for the requirement to be measurable and therefore accountable.**
- 1.5 Our response is laid out in accordance with Annex B to the consultation paper, and as such is divided into four sections.
 - A. Improving the quality of local bus services
 - B. Reforming local transport governance
 - C. Taking forward local road-pricing schemes
 - D. Traffic commissioners

We have also summarised our **recommendations for action** at the end.

A. Improving the quality of local bus services

Our concerns about buses go beyond the immediate need to improve the quality and quantity of bus services. We believe that the bill should make it easier for local authorities to integrate bus services into the wider planning of transport, land uses and economic development. This is because the provision of high quality public transport should be seen as a core part of the "place shaping" that local authorities do, a role endorsed by Sir Michael Lyons' report on the future of local government. Planning authorities need to be able to forecast in their local development frameworks and in considering individual planning applications the likely provision of public transport for their area. More broadly, the combination of high quality public transport with high density development can contribute to the Government's planning objective of reducing the need to travel and to creating low carbon development (housing and commercial). Since in most places "public transport" is going to be buses, planning authorities and developers will require some framework for bus services that allows them to plan for the future and have some certainty about future provision. The current legislation,

which allows (for example) bus services to change at just 56 days notice, does not provide this framework or certainty.

2 Voluntary and partnership agreements/Quality partnership schemes

- 2.1 Campaign for Better Transport welcomes the government's decision to enable minimum frequencies, timings and maximum fares to be specified in voluntary agreements and quality partnerships. We commend the government for its decision to revise the competition test as it applies to such agreements, to ensure that it is better suited to the bus market (competition is discussed further below). We also welcome the proposal to allow local authorities to subsidise improvements and upgrades to bus services, in addition to the option of full support. These changes will help partnerships to deal with key passenger priorities which must be addressed. The government's proposals must be more ambitious, however, if they are to reverse the decline in bus patronage.
- 2.2 Clearly, authorities that opt for quality contracts will be able to specify services and hence will be able to link bus service provision directly to strategic planning and to new developments. Our concern is that outside quality contract areas, the bill offers no real advance in terms of strategic planning. We welcome the enhancement of quality partnerships, but QPs tend to be route specific and for a limited period. This is a mismatch with the rest of the bill, which enhances the strategic planning powers of PTAs in the cities and allows for the creation of new ones, and allows also for Integrated Transport Strategies (covering 10-15 years) and implementation plans covering 3-5 years. These strategies will be able to say little about bus services over that period of time.
- 2.3 We therefore propose that the bill should include powers for **quality partnerships that are multi-operator, area wide rather than route specific, and long term**. This is similar to the Network Development Plans or Quality Networks that have been proposed by ATCO: it involves bringing together all operators in an area and planning the bus network as a whole. **We believe that such partnerships should have two elements – strategic and detailed**. One would be long term and strategic, mirroring the length of the Integrated Transport Strategies, and would set out a vision for bus services in an area with key objectives and some indication of corridor developments. The second element should mirror the implementation plans and current Local Transport Plans and set out in more detail ways in which the authority and the operators propose to develop buses in the area, along with corridor development plans. The voluntary quality partnership agreements proposed in the bill will fit here and will support the implementation plans – but we want to see them put into a strategic and long term context.
- 2.4 We support the ATCO proposals to give local authorities the right to ask Traffic Commissioners to refuse registrations where services would not be properly coordinated. Bus operators would have to give the Traffic Coordinators 70 days notice of changes (as currently happens in Scotland). This would give the Coordinators the opportunity to look at their proposals to see how they connect with or fit between other bus/rail/tram/ferry services. They would then have the right to ask the Traffic Commissioner to refuse a registration that is poorly co-ordinated. Such a system, whilst leaving operators free to operate commercially wherever they want, could end the nonsense of two buses within minutes followed by a big gap in service as well as buses not connecting with trains. There are of course scheduling constraints that mean that it is not always possible to achieve 100% co-ordination but the Traffic Coordinators should be able to bring some common sense to places where this is currently lacking.
- 2.5 We also support the ATCO proposals on Tendered Network Zones, covering areas where most services are already tendered, which would enable the Traffic Coordinators to ensure that network benefits can be delivered in areas where this is currently not possible commercially. Where the majority of bus services are tendered Traffic Coordinators' attempts to design and procure a cohesive network can sometimes be undermined by operators 'cherry picking' the best bits of the best routes. In a TNZ nobody would be able to register a commercial service if it would undermine the network. BSOG would be paid to the Tendering Authority rather than the operators (as proposed for quality contracts). This proposal would give Tendering Authorities much more control where quality contracts do not exist, and would enable them to plan and deliver a stable network.
- 2.6 Campaign for Better Transport endorses the Transport Select Committee's statement that the government should amend Clause 3 to ensure that where a partnership agreement has been reached, the operator does not have the right to withdraw or alter services unilaterally. Local authorities should be given powers to fine bus companies for breaching partnership agreements.

3 Quality Contracts schemes

- 3.1 We support the proposals in the draft bill to make quality contracts easier to obtain. We want to see quality contracts become a real choice for local authorities and, while we fully support the need to link these to transport policies, we are concerned however that the framework proposed is still time-consuming, raising the prospect of prolonged uncertainty and conflict.
- 3.2 Quality contracts need to be a realistic option for rural local authorities as well as urban ones. A seamless network of integrated public transport needs to be provided across the UK, so that it provides a real alternative to car use. This cannot be achieved if the government gives up on getting people out of their cars in rural areas. PTE areas need high quality public transport networks, but so do urban and rural areas which are not covered by PTEs. It will be impossible to achieve the kind of modal shift necessary to tackle congestion and climate change unless bus services across the UK are improved dramatically. The government cannot rely on voluntary partnership agreements or community transport to solve the problems of rural transport.
- 3.3 Campaign for Better Transport does not believe that the procedure described in the Bill for implementing quality contracts is workable in practice. If PTEs are reluctant to implement quality contracts because of the difficulty or risk involved, it is very unlikely that local authorities outside PTE areas will consider it. One of the main purposes of the Bill is to ensure that local authorities of all kinds can take greater control over local bus services when this is in the public interest. If this is not achieved, a huge opportunity will have been lost, and bus services will continue to decline. **It is vital that the Bill makes quality contracts a realistic option for all local authorities, both urban and rural.**

Public interest test

- 3.4 Campaign for Better Transport is broadly supportive of the proposed new 'public interest' test for quality contracts schemes (Volume 1: box 3.5). However, we do not think it is necessary for there to be a competition test applied in addition to the broader public interest test at this stage [Volume 1: box 3.5 b) (v)]. Quality contracts schemes are needed when free market competition has failed to deliver high quality bus services. The decision to implement them must be based on an assessment of the public interest, in the knowledge that competition has not worked to the benefit of the bus passenger. The other aspects of the public interest test described in (b) ensure that local authorities explain how this decision has been arrived at. The benefits of competition are introduced at a later stage, in the tendering process.
- 3.5 We endorse the conclusion of the Transport Select Committee that the public interest test is right to include a reference to 'reducing, arresting or reversing decline in the use of bus services'. The Committee points out that local authorities aiming to introduce quality contracts schemes in areas of declining bus patronage 'should be able to do so without having to demonstrate that the scheme will turn years of decline into passenger growth overnight'.

Approval procedure

- 3.6 Campaign for Better Transport does not think an Approvals Board is an appropriate body to decide whether a quality contracts scheme should be implemented. An Approvals Board made up of Traffic Commissioners, the Transport Tribunal and other appointees would not be elected or accountable to the public and should not make decisions affecting an area that is not local to them.
- 3.7 Local authorities themselves are best placed to determine whether introducing quality contracts would be in the public interest. Local authorities have often played a dual role in promoting and also deciding upon a policy (with safeguards in place), particularly in planning. The Bill itself suggests that local authorities should decide whether to introduce local road pricing schemes. It is therefore inconsistent to insist that they cannot make decisions on local bus policy. Nevertheless, we believe that the move towards quality contracts needs to be subject to public consultation and authorities must demonstrate that they have taken account of views expressed and evidence submitted.
- 3.8 An independent body (the Approvals Board described would be appropriate) should review the decision-making process, to ensure that local authorities have produced well-founded schemes that

have been subjected to public consultation. This body would play a similar role to that of the ORR in rail closures. Traffic Commissioners would have the expertise for this kind of ratification role.

- 3.9 Campaign for Better Transport believes it is inappropriate to provide a right of appeal to the Transport Tribunal against decisions made by the Approvals Board. This would result in a two tier system of appeals, which would be time-consuming and would increase the cost and perceived risk of introducing quality contracts schemes, making local authorities reluctant to do so. Judicial review already offers the option of appealing against new schemes, and this is a sufficient mechanism to ensure new schemes are lawful.
- 3.10 We endorse the conclusion of the Transport Select Committee that the Bill should specify a time limit for the approval period, including appeal, as a maximum of six months. 'Schemes which have not been rejected within this time should be permitted to proceed'.
- 3.11 Campaign for Better Transport also endorses the Transport Select Committee's suggestion that the government should indemnify local authorities and PTAs against the possibility of legal challenges from bus operators. 'Such challenges might arise under the enabling legislation itself or under the Human Rights Act 1998'. Furthermore, we think it would be appropriate for central government to pay compensation to bus companies for their assets. Local authorities need to decide what is in the public interest and act accordingly. They should not have to bear the inevitable risk that compensating bus companies entails. This risk may discourage local authorities from even considering implementing a quality contracts scheme. Government should show its commitment to improving bus services during this transitional period by giving local authorities the financial support they need to compensate bus operators.
- 3.12 The OFT should raise any concerns about the applicability of the competition test to quality contracts schemes during the consultation process. The government should state explicitly in its guidance that the Competition Act 1998 does not apply to quality contracts schemes. It should also clarify the role of the OFT with respect to quality contracts.

Transitional period

- 3.13 The transitional period between the agreement of a new quality contracts scheme and its implementation presents a number of risks for local authorities. These risks need to be dealt with if quality contracts are to be a realistic option.
- 3.14 The Bill needs to contain provisions which ensure that the Transfer of Undertaking (Protection of Employment) Regulations 2006 ('TUPE') will apply when a quality contracts scheme is agreed. This will mean that redundancy problems are averted and trained drivers are available to provide the new services agreed.
- 3.15 The local authority needs to be confident that incumbent operators who are not successful in bidding for a quality contracts scheme are not able to withdraw services before the scheme begins. Traffic Commissioners could be responsible for ensuring that services continue to be provided during this transitional phase. De-registration of existing services would not be allowed until the quality contracts scheme starts, or there would be an automatic extension to the period required for deregistration.
- 3.16 The 'operator of last resort powers' that were removed from local authorities in 1986 should be reintroduced in this legislation. These powers would enable authorities to step in and provide services if an operator stops trading or withdraws from the market without deregistration, either during the transitional period or once a quality contracts scheme has started. These powers would provide additional reassurance, as new contracts can take time to arrange. As the Transport Select Committee points out, 'this would also have the benefit of giving a public sector benchmark for competing bus operators'. We also agree with the Committee that transport authorities should be given compulsory purchase powers to buy depots, subject to the compensation provisions suggested above.

Length of quality contracts

- 3.17 Campaign for Better Transport endorses the response of the Transport Select Committee on the issue of the length of quality contracts. We agree that contracts of 'up to fifteen years with one or two in-built break points' is the best option, and that the Bill should allow for flexible contracts of between ten and

fifteen years. This will ensure that substantial infrastructure investment can be provided as part of new quality contracts schemes.

4 Bus punctuality

- 4.1 Campaign for Better Transport welcomes the government's recognition that bus users need punctual, reliable services. Punctuality and reliability are key aspects of the higher quality bus services that are needed to deliver a step change in patronage growth.
- 4.2 However, the new bus punctuality performance regime must have at its heart an understanding of why punctuality and reliability are important. Journey times and journey reliability are vital elements to growing bus patronage, and they are inter-related. Punctuality should not be emphasised in isolation from journey times. The registered timetable is not an appropriate way to measure a punctuality regime, as it could have too much or too little ambition in what bus priority has to be supplied. Operators will be tempted to 'pad' their timetables to appear punctual and avoid fines from the Traffic Commissioners. A non-ambitious timetable could comply with a punctuality regime but fail to deliver the kind of frequent, fast bus service that passengers will value.
- 4.3 This risk is exemplified by the rail industry where certain operators have sought to avoid performance penalties by extending scheduled journey times in the final leg. (First Great Western currently allows 16-18 minutes for the final six miles of the journey from London to Penzance – roughly 50% longer than was scheduled by BR, using identical equipment.)
- 4.4 **Bus speed is the desired outcome and the appropriate currency for a performance regime that monitors punctuality.** This will grow bus use whilst delivering more efficient use of vehicles and staff time, thus lowering operating costs. The new statutory Senior Traffic Commissioner must receive guidance from the Secretary of State and give guidance to the Traffic Commissioners about a minimum bus speed that should be used to consistently judge punctuality. This speed would differ in rural and urban areas, and would be consistent with a level of bus priority that meets government objectives for growth in bus use.
- 4.5 Campaign for Better Transport agrees that operators should be required to provide punctuality performance data (3.32-3.35). However, we would recommend that GPS needs to be rolled out across the country as a matter of urgency, to make this process easier and more efficient. This would reduce the administrative burden for operators, and would make data collection simpler for the Traffic Commissioners. The Traffic Commissioners will need to be very well resourced to ensure that they can handle the data they receive. GPS is also a useful regulatory and management tool, so this approach will have additional benefits.
- 4.6 Clarification of the Traffic Management Act 2004 is needed. It is not clear that the intervention powers in the Act allow for intervention in relation to buses. Unless this is clarified there may be no means to deliver the local authority aspect of the punctuality regime.
- 4.7 The minimum period for registering and deregistering services needs to be extended beyond the 56 day period when it applies to services provided under a quality partnership scheme, to ensure that services are maintained and give local authorities time to respond to changes in the bus market. Local authorities should also have the power to tender any frequencies not met by the market.
- 4.8 In addition to collecting punctuality and reliability data, Traffic Commissioners should have an enforced duty to collect information on the withdrawal of bus services and registration of new ones. This information should be available but currently is not. It is very important that the government – as well as the Commissioners themselves - have the full information about national trends. Without this information it is difficult to assess progress in the provision of bus services. Susan Kramer MP recently asked for information about this and none was available – this is not a good starting point if growth in bus patronage is the goal.

5 Community transport

- 5.1 While we support simplification of system of permits outlined in the draft bill we are concerned that the problems with rural transport require more than simply providing community transport. Evidence from other countries shows that they successfully knit together transport services in rural areas into a seamless network, by integrating the travel modes "cheek to cheek" bus/rail integration and also

integration of taxis and community transport into the public transport network, sometimes through franchising. This use of demand responsive services provides a 24hour, 7 day a week service. Integration would be encouraged by the introduction of Tendered Network Zones (as mentioned above).

- 5.2 In this country, Lincolnshire Inter-Connect has successfully linked conventional bus services on main corridors with demand-responsive feeder services. **We therefore suggest that the Government examines options for integrating taxi-buses, commercial dial-a-ride services and other demand responsive services into rural transport networks.** Ultimately, we believe that taxis need to be integrated with bus services and other public transport provision, and as a first step responsibility for taxi licensing should be transferred to transport authorities and away from district councils. Franchising of taxi services should be examined, with integration into travelcards and ticketing.

6 Competition legislation

- 6.1 The application of the Competition Act to bus services (and to wider public transport) continues to cause concern and problems. Despite the progress charted in the consultation, we continue to find issues arising where operators are cautious about co-operation because of the severe penalties if they are found to have erred under the terms of the Act. Current competition law means that in practice operators are deterred from practical co-operation which would be in the interests of passengers, such as agreements to accept other operators' tickets or to run regular interval services on multi-operator routes.
- 6.2 We welcome the proposed revised schedule 10 test, setting criteria for agreements between local authorities and more than one operator, and believe that this should be applied to other local authority schemes – we don't believe that a specific competition test needs to be retained for these schemes (box 3.4 (i)) providing that the absence of such a test does not prevent such schemes happening. A level of clarity and certainty is essential here – and we do not support the removal of the provision in the Transport Act 2000 of the ability to apply to the OFT for a decision on whether the competition test will be met by a proposed exercise of the functions in schedule 10 (box 3.4 (iv)).
- 6.3 But we believe that a broader approach is required to competition within the bus industry, which will promote and allow agreements between operators that are in the public interest while continuing to prevent action that would be against the public interest. Accordingly, we commissioned an opinion from John Swift QC, as a pre-eminent authority on competition law, on the exercise of powers under the Competition Act with respect to the bus industry. The opinion produced by Mr Swift and his colleague Gerry Facenna, which is attached to this response as an annex, concludes that agreements between operators are not per se anti-competitive. They propose that: *“the focus of the OFT should change, and that OFT 448 should be redrafted to provide clearer guidance to operators and to focus more clearly on the likely economic effect of an agreement and questions of passenger benefit. There should be no presumption that necessary coordination must exclude certain forms of behaviour (e.g. agreements on timetabling or prices), and any assessment of the effect of an agreement should take into account the distinct features of bus operations, such as the fact that demand is heavily influenced by factors outside the control of bus operators themselves. In particular, where decisions are taken on the basis of protecting potential new entrants to the market, the OFT should be realistic about the prospects of another company actually entering a local market.”*
- 6.4 They then suggest that the revised schedule 10 criteria could be applied to all agreements between operators, rather than simply to those involving local authorities: *“the Local Transport Bill could be amended to require the OFT to assess agreements between bus operators by reference to likely economic effect and questions of passenger benefit. Moreover, we see no reason why the modified competition test proposed in the draft Bill for voluntary partnership agreements and related agreements could not be applied more generally to all agreements between bus operators.”*

7 Minimum national standards: meeting passenger needs

- 7.1 Campaign for Better Transport believes that **national minimum standards should be set and monitored by the Traffic Commissioners** (who would be given an expanded role and extra resources to fulfil their new remit). We recommend that a bus passenger watchdog should be established, and this body would lobby for new and improved national minimum standards.

- 7.2 Campaign for Better Transport organised a seminar last October for DfT that brought together a wide range of organisations representing social groups which rely on bus services. The findings are outlined in *Putting Passengers First*, page 29. The main message that emerged was that the quality of the overall journey experience for passengers needs to be raised. A good bus service is not just about punctuality and reliability, but a wide range of combined factors: frequency, good value for money, security for passengers (and staff), helpful drivers, clean and unvandalised buses and bus shelters, accessible buses, and information that is readily available and easy to use.
- 7.3 Service quality issues: security; customer service; cleanliness; accessibility and information need to be taken seriously and given due weight in bus policy and regulation. The good practice that some operators and local authorities can demonstrate in all these areas needs to become the norm for all operators and local authorities. Although information and sharing of good practice can help, stronger action is required. That is why we support setting national minimum standards for bus operators and for local authorities. For local authorities, the minimum standards would relate to bus facilities, such as bus shelters and information, but also to priority over other traffic. For bus operators, standards would relate to staff training on customer service and vehicle standards and operations, with information and marketing where applicable. Between the two lie some joint issues: monitoring and developing bus use, as well as on-bus audio-visual announcements and real time information.
- 8 **Bus Service Operators Grant (BSOG)**
- 8.1 Campaign for Better Transport feels that continuing to subsidise operators to burn fuel is indefensible and contrary to government climate strategies. Hence, **we support proposals in the draft bill to explore a new focus for BSOG.**
- 8.2 Campaign for Better Transport welcomes proposals that link BSOG to achieving desired outcomes. However, we have concerns that some of the options for changing BSOG could have unforeseen negative impacts; for example, on its own, a link to patronage could disadvantage rural areas. The current system is also cheap to administer and relatively proof against fraud; any replacement should be measured against this. One option would be to extend the rebate but require operators to pursue green vehicles strategies and marketing bus services.

B. Reforming local transport governance

- 9 Campaign for Better Transport welcomes the recognition in the draft bill that city regions should set their own appropriate structures and requirements to best progress their own sustainable economic development, although minimum standards from government are needed in the form of guidance.
- 9.1 While we support the proposal for PTAs to be subject to a requirement to have regard to Government policies and guidance on climate change, we feel that needs to go much further and requirements placed on both PTAs and Local Authorities.
- 9.2 Climate change is a particular area of concern, made more pressing with regard to transport as emissions that contribute to climate change are increasing from the transport sector. Opportunities for tackling the transport sectors contribution to climate change are diverse and achievable. **As a result PTA's and Local Authorities should be required to put in place measures that tackle climate change and for the requirement to be measurable and therefore accountable**
- 9.3 Cities will in many cases be unwilling to give up power to create new PTA/PTEs, and local politicians may be keen to avoid explicitly taking full responsibility for transport governance, which may not win voters. Therefore, **central Government needs to have backstop powers to ensure that cities decide on the best form of governance for the area, and can plan and deliver public transport effectively.** LAs should be fully consulted on the best form of governance and solutions but ultimately public interest must determine what is agreed and inter-authority rivalries must not impede this. It should be possible to bring parts of other authorities into PTAs: the Government proposals at present require PTAs to cover whole LA areas.
- 9.4 **We welcome the provisions in the draft bill for replacing Local Transport Plans with longer term Integrated Transport Strategies and shorter term implementation plans.** We think this will be essential to align local transport with local development frameworks and land use planning.

- 9.5 **PTEs need to have a duty to consider the needs of freight** and take into this into account in Integrated Transport Strategies and Local Area Agreements. They also need to consult the rail industry. It is important that they consider long distance freight flows which may only transit their region.
- 9.6 **Local authorities need to have powers to co-sign rail franchises, and PTEs need to have the highway powers that would enable them to control the road network.** Without both of these powers, transport authorities will not be able to plan integrated, sensible public transport provision that provides what people need.

C. Taking forward local road-pricing schemes

- 10 Campaign for Better Transport shares the government's recognition that public transport solutions alone are not sufficient to improve our transport system and that road pricing could play a significant role in tackling congestion and making possible low carbon travel choices for people. **We support the proposals in the draft bill** but want to see the Government pursue other routes to develop road pricing, such as lorry road user charging and a fleet-based voluntary scheme along the lines of that used by Norwich Union to trial pay-as-you-drive insurance.
- 10.1 Campaign for Better Transport is pleased that the draft bill recommends consistency to all local schemes in terms of technology and operation. Consistency is vital to assist in the communication of the benefits of road charging and ensure that confusion or bad experiences are minimised throughout the country. **Local road pricing pilot schemes should progress in parallel with minimum standard criteria from government and as an explicit part of an intended journey towards a national road-pricing scheme.**
- 10.2 **Funds generated by local road pricing schemes should be spent explicitly of public transport improvement, smarter travel choices and walking and cycling.** Campaign for Better Transport is concerned with the wording in the draft bill that states that funds generated should be spent on 'transport improvements' leads too much open to interpretation.
- 10.3 **We recommend that minimum standards for local road pricing schemes should be developed,** for example the provision of public transport investment before implementation of any scheme. The minimum standards for public transport referred to above may help this

D. Traffic commissioners

- 11 **Broadening the role of traffic commissioners**
- 11.1 The Government's paper envisages broadening the role of the Traffic Commissioners in relation to punctuality and to encompass local authorities as well as operators. This change represents an opportunity to rethink the current approach, in the interests of putting passengers first and increasing bus patronage.
- 11.2 Passengers currently do not understand who runs the buses and who to turn to when things go wrong; the mechanism for following through complaints needs to be made much more visible. What is needed is a public-facing body, as recommended by the House of Commons Transport Committee, which monitors minimum service quality standards in addition to punctuality and keeps a watching brief on the key factors that influence passenger satisfaction. We support the recommendation of the Transport Select Committee for the DfT to be vigilant in preventing opportunistic attempts to access Congestion TIF funds to support long standing, and expensive, road building programmes, as detailed in Paragraph 176 of their report.
- 11.3 **We suggest that in addition to an expanded role for the Traffic Commissioners there needs to be a new statutory complaints body for bus passengers,** which we further detail below. The bus industry was the only utility to be privatised in the 1980's without the parallel creation of a passenger

watchdog. Yet this is urgently needed to guarantee minimum standards of service quality as well as punctuality, so that passenger needs can be taken into account and bus patronage can grow.

- 11.4 We agree with the government's assessment that increasing bus patronage requires an expanded role for the Traffic Commissioners. However, we think the government needs to be more ambitious and visionary in terms of how this could work. Traffic Commissioners have a vital role to play in improving bus services. We suggest that a core set of objectives for Traffic Commissioners needs to be set down in legislation. These objectives could include, for example, promoting growth in bus services, ensuring high quality bus services and so on. The Traffic Commissioners should also have a range of obligations in terms of policing national minimum service standards, protecting quality contracts and partnerships, stopping 'bus wars' and delivering a stable bus network which meets the needs of passengers. Registration and deregistration of services could offer an opportunity for Traffic Commissioners to deliver all of these benefits.
- 11.5 The Traffic Commissioners should ensure operators give priority to passenger needs, by setting and monitoring national minimum service standards for operators to register services, and with the ultimate sanction of taking vehicles off the road for defects such as loose seats/grab rails etc. Traffic Commissioners should be required to use their powers in these instances.
- 11.6 Traffic Commissioners should have more discretion over whether to register new services and deregister old ones. They should have a duty to prevent bus wars and to protect quality partnerships and quality contracts. They should also have a duty to make quality contracts a realistic option for local authorities. Traffic Commissioners should ensure that existing bus services are maintained during the transitional period between agreement of a quality contract, and the beginning of the new scheme. All of these duties will help to safeguard the best possible environment in which bus services can flourish. They should be set down in legislation along with the objectives of the Traffic Commissioners (see above).
- 11.7 Furthermore, Traffic Commissioners should have a duty to provide a stable network of bus services that meets passengers' needs. They should be able to refuse to register services if they are poorly coordinated with the rest of the network. This would help to ensure that services are frequent and regular, and it would stop over-provision on cherry-picked routes.
- 11.8 All of these changes to the role of the Traffic Commissioners, and those suggested in the draft Bill, will mean that they have a greatly expanded remit. These activities must be properly resourced, otherwise the potential benefits will not be delivered.

12 **Passenger watchdog**

- 12.1 Increasing bus patronage requires rethinking how bus users are treated, and it means providing them with a body that will protect their interests. Campaign for Better Transport believes we need a **government funded, statutory passenger watchdog for bus users** that is fully independent. The watchdog should have a regional structure that builds on the excellent work of the existing regional TravelWatch organisations. Regional watchdogs based on the model of London TravelWatch would be funded through the regional Traffic Commissioners, and answerable to them (although independent from them). The regional watchdogs would be appeals bodies for bus users and would lobby regionally for improvements to services in accordance with bus users' priorities. These bodies would be coordinated centrally by the national watchdog, which would be able to lobby nationally on behalf of bus users. The watchdog would undertake a national passenger survey, like Passenger Focus.
- 12.2 The passenger watchdog would be an appeals body, like London TravelWatch or Passenger Focus. Bus companies would remain the first port of call for complaints. If a user complains to the relevant company, and is not satisfied with the response they receive, they can contact the passenger watchdog. The watchdog then takes up the complaint with the bus company. As a statutory body, they will have more weight in negotiations, and a higher chance of resolving the issue to the user's satisfaction. If it cannot be resolved, an ombudsman ensures that due process has been followed when dealing with the appeal.
- 12.3 Like Passenger Focus, the watchdog should be able to publicly champion passengers' needs vis-à-vis the bus industry and government. Developing services must be a key part of the passenger watchdog's role. London TravelWatch handles appeals and lobbies for the development of passenger

services, and the new watchdog should follow this example. London Travelwatch should be carefully studied and consulted by the government, as this is currently the only passenger watchdog of its kind in the UK. It is also a successful role model for regional watchdogs, as its passenger feedback makes clear.

- 12.4 The watchdog should cover a wider remit than punctuality and reliability. Campaign for Better Transport organised a seminar last October for the Department for Transport that brought together a wide range of organisations representing social groups which rely on bus services. The main message that emerged was that a good bus service is not just about punctuality and reliability, but a wide range of combined factors: frequency, affordability, security for passengers (and staff), helpful drivers, clean and unvandalised buses and bus shelters, accessible buses, and information that is readily available and easy to use. Bus users should have a voice to draw attention to bus services that are inadequate on any of these fronts. They should have the right to report problems to a passenger watchdog which can work on their behalf to improve bus services. Punctuality and reliability are important, but there are many other issues facing bus users, which should also be dealt with by this new body.
- 12.5 The passenger watchdog would lobby for new or improved national minimum standards, in accordance with bus users' priorities. (The watchdog cannot set standards itself, as this would compromise its ability to be an independent arbiter in the appeals process.) The watchdog would notify the Traffic Commissioners when standards are not being met, and they would have a duty to take action.
- 12.6 The watchdog would also identify where bus services are working well, where passengers' needs are being met and should attempt to spread good practice.

Recommendations for action

1. To make quality contracts a realistic option for all local authorities, in rural as well as urban areas.
2. For PTA's and Local Authorities to be required to put in place measures that tackle climate change and for the requirement to be measurable and therefore accountable.
3. Traffic Commissioners need to have an expanded role with increased resources made available to them.
4. That a fully fledged independent bus complaints body for bus passengers should be set up.
5. To promote a new framework for partnerships based on areas as well as routes, in which agreements and schemes are formulated within the context of the Integrated Transport Strategy or Local Transport Plans for the area.
6. To make the setting up of new PTA areas as easy as possible by empowering Government with backstop powers to assist cities in deciding on the best form of governance for the area, and implementing public transport solutions. LAs should be fully consulted on the best form of governance and solutions but ultimately public interest must determine what is agreed.
7. To examine options for integrating taxi-buses, commercial dial-a-ride services and other demand responsive services into rural transport networks with adequate funding.
8. The emphasis in competition law as applied to bus operations should change to one of protecting and extending passenger interests and the wider public interest.
9. Support the introduction of Tendered Network Zones, which would encourage integration of public transport services.
10. For local road pricing pilot schemes to progress in parallel with minimum standard criteria from government and as an explicit part of an intended journey towards a national road-pricing scheme. Minimum standards need to include: the provision of public transport investment before implementation of any scheme. Funds generated by local road pricing schemes should be spent explicitly on public transport improvement, smarter travel choices and walking and cycling