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Public Transport, Private Profit

The Human Cost of Privatizing Buses in the United Kingdom

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EXECUTIVE SUMMARY

The UK government imposed an extreme form of privatization and deregulation on the bus sector in England outside London, Scotland, and Wales in 1985. Private companies now run the routes almost entirely on the basis of what is profitable. Over the past 35 years, this approach has provided a master class in how not to run an essential public service, and left residents with an expensive, unreliable, fragmented, and dysfunctional bus system that is slowly falling apart. Bus operators have prioritized profits and dividends—extracting money from the system—and cut essential routes. Meanwhile, cash-strapped local authorities have been left to plug the gaps at additional public expense. Unsurprisingly, fares have skyrocketed¹ and ridership has plummeted.² While the public good has suffered, the private sector has profited handsomely.

The UK bus system may evoke images of red double decker buses in London running a well-oiled service. But that publicly controlled system is in fact an outlier, bearing little resemblance to the deregulated free-for-all in the rest of Britain.

Deregulation has left England, Scotland, and Wales with a vital public service run almost entirely by the private sector, with no minimum service frequency standards, and no authority responsible for ensuring local buses meet residents' needs.³ People interviewed for this report said they had lost jobs, missed medical appointments, been forced out of education, sacrificed food and utilities, and been cut off from friends and family because of an expensive and inadequate bus service that failed them. Numerous reports from civil society and official institutions document a system that is broken and at odds with the United Kingdom's own social and transportation objectives and climate change goals.

Some argue that it does not matter who runs the system—public or private—so long as the actual service works for passengers. This report finds that the very act of running a bus service for profit in a deregulated system introduces distorting commercial incentives that are in direct opposition to providing a better service. The British government put its faith in the private market, but the market, by its nature, cannot deliver.

Buses account for some 4.5 billion journeys per year in Britain, the majority of all journeys on public transportation.⁴ More people commute to work by bus than all other forms of public transportation combined.⁵ They provide an essential service, connect communities, strengthen society, and are a lifeline for people without other options. Buses boost economic growth, enable access to basic rights, alleviate poverty,⁶ and reduce congestion and greenhouse gases.⁷

¹ Department for Transport, *Bus Back Better: National Bus Strategy for England*, March 2021, 59, https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/969205/DfT-Bus-Back-Better-national-bus-strategy-for-England.pdf.

² Campaign for Better Transport, *The Future of Rural Bus Service in the UK*, December 2018, 59, <https://bettertransport.org.uk/sites/default/files/research-files/The-Future-of-Rural-Bus-Services.pdf>.

³ Social Exclusion Unit, *Making the Connections: Final Report on Transport and Social Exclusion*, February 2003, 3, https://www.ilo.org/wcmsp5/groups/public/---ed_emp/---emp_policy/---invest/documents/publication/wcms_asist_8210.pdf.

⁴ Department for Transport, *Annual Bus Statistics: England 2019/20*, October 2020, 1, https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/929992/annual-bus-statistics-year-ending-march-2020.pdf; Transport Scotland, *Scottish Transport Statistics: No. 39 2020 edition*, 2020, 58 <https://www.transport.gov.scot/media/49177/scottish-transport-statistics-2020-publication-final-version.pdf>; "Public Service Vehicles (Buses and Taxis): April 2019 to March 2020," Welsh Government, accessed June 16, 2021, <https://gov.wales/public-service-vehicles-buses-and-taxis-april-2019-march-2020.html>.

⁵ Rebecca Fuller, *The Cross-sector Benefits of Backing the Bus* (London: Urban Transport Group, 2019), 31, <https://www.urbantransportgroup.org/system/files/general-docs/UTG%20%E2%80%93%20Bus%20Sector%20Benefits%20report%20WEB.pdf>.

⁶ Poverty and Inequality Commission, *Transport and Poverty in Scotland*, June 2019, 2, <https://povertyinequality.scot/wp-content/uploads/2019/06/Transport-and-Poverty-in-Scotland-Report-of-the-Poverty-and-Inequality-Commission.pdf>.

⁷ Fuller, *Cross-sector Benefits of Backing the Bus*, 2.

The government originally touted deregulation as a way to reverse declining bus use and deliver lower fares and improved service. A 1984 white paper promised that competition would provide an opportunity for “lower fares, new services, more passengers” and “a better service to the passenger at less cost.”⁸ But more than three decades later, the promised benefits have not materialized, and the current service is failing by all of these metrics and most others.⁹

The lack of any overall planning or control has resulted in less of a functional bus system and more of a collection of routes that too often do not work for those who need them. Passengers described a broken system, with disappearing routes, lower frequency, poor reliability, falling ridership, limited coverage, inefficient competition, inadequate information, and no real integration. Deregulation has led to a deeply fragmented service, with multiple operators competing in the same areas and sometimes on the same routes, timetables that do not line up between operators or modes of transportation, and endless ticketing options that add needless complication.¹⁰

Privatization has not delivered a service that provides good value for money. Private operators’ primary goal is to earn a profit for shareholders, rather than provide the best possible service. Companies extract profits in the form of dividends, which otherwise could be reinvested in the system.¹¹ They largely choose to run only profitable routes, resulting in cuts or forcing local transport authorities to step in at additional public cost. And far from taking buses off the government books, privatization has left the public on the hook for billions of pounds a year in subsidies.¹²

These failures are not just an inconvenience—they have resulted in serious human rights impacts for those who rely on the bus, including to access work, education, healthcare, and food, and to move out of poverty. This has been especially severe for those in rural areas, older people, women, and people with disabilities. Inadequate transport systems also jeopardize a great many people’s ability to take part in their society and cultural life, such as their ability to visit local community centers, access libraries, attend football matches, and spend time with their families and friends. Because bus services are operated by effectively unaccountable private companies, those impacted often have little meaningful recourse.

The United Kingdom is one of the richest countries in the world and can afford a world class bus service should it choose to prioritize it. Instead, successive governments have attempted to address problems associated with deregulation through a series of ineffective half-measures that have failed to deliver.

A new approach is needed, one that provides equitable, reliable, and affordable service, guarantees access to human rights, and meets the United Kingdom’s climate goals. The evidence shows that the deregulated system has not been able to provide this, despite significant public subsidy. By contrast, public ownership or control would allow for profits to be reinvested, network integration, more efficient coverage, simpler fares,

⁸ Department of Transport, Scottish Office, Welsh Office, *Buses*, 1984, 3.

⁹ House of Commons Transport Committee, *Bus services in England Outside London*, May 2019, 3, 13, <https://publications.parliament.uk/pa/cm201719/cmselect/cmtrans/1425/1425.pdf>.

¹⁰ Ian Taylor and Lynn Sloman, *Building a World-class Bus System for Britain: Extended Summary Report* (TfQL Community Interest Company, 2016), 2, http://www.transportforqualityoflife.com/u/files/160314_Building_a_World-class_Bus_System_extended%20summary%20report_FINAL4_for_web.pdf.

¹¹ *Ibid.*

¹² House of Commons Transport Committee, *Bus Services in England Outside London*, 11, 19.

and public accountability.¹³ Far from being unaffordable, it is a more cost effective and efficient approach. Maintaining the current system outsources responsibility for a vital public service and prioritizes the preservation of corporate profits over providing the public with a decent bus network.

The UK government should enable and support public control and ownership of bus services, and cease relying on private actors and the market to determine access to such a vital service. The governments of England, Scotland, and Wales should adopt public control of bus transport as the default system and provide financial and political support to local authorities pursuing that goal. Voluntary partnerships between bus companies and local transport authorities are a failed middle ground that should be phased out in favor of public control and ownership.

There is currently no minimum level of public transportation that residents of the United Kingdom can depend on. Yet it is abundantly clear that this has severe negative impacts on people's rights and transportation should not be an optional service dependent on commercial profitability. Parliament should legislate minimum standards upon which all UK residents can rely.

¹³ Giulio Mattioli et al., "The Political Economy of Car Dependence: A systems of provision approach," *Energy Research & Social Science* 66 (August 2020): 9, <https://doi.org/10.1016/j.erss.2020.101486>; Taylor and Sloman, *Building a World-class Bus System*.

A CHANGE OF TUNE

The UK Government's Claims on Bus Deregulation

The 1984 Buses White Paper

from Department of Transport, Scottish Office, Welsh Office, *Buses*, 1984.

The National Bus Strategy for England

from Department for Transport, [Bus Back Better: National Bus Strategy for England](#), March 2021.

"Competition provides the opportunity for lower fares, new services, more passengers." (p. 3)

"More people would travel." (p. 2)

"If one operator fails to provide a service that is wanted, another will." (p. 2)

"Competition also brings continuing pressure to keep costs down." (p. 2)

"A free market encourages a quicker response to what the customers want than a regulated system ever could." (p. 13)

"Without the dead hand of restrictive regulation... [n]ew and better services would be provided." (p. 2)

"There can be no doubt that major improvements in efficiency are possible, given the right pressures to identify and secure them." (p. 16)

"Transfer to the private sector also removes any potential future liability on the taxpayer to provide capital or make good losses." (p. 17)

"Informal measures of co-operation between operators will develop to ensure that their services connect." (p. 53)

"[S]ervices became unstable and confusing; the quality of vehicles fell and fares in many places rose sharply." (p. 19)

"Bus services have been in decline for a long time." (p. 19)

"Many communities have lost their daily bus services altogether. Others have services for only a few hours a day." (p. 47)

"Average bus fares have risen by 403% since 1987." (p. 59)

"Services can be confusing, split between different companies who do not accept each other's tickets or, in some cases, acknowledge each other's existence." (p. 8)

"This model doesn't always work for passengers. There is often no incentive for integrated ticketing, or for operators to run services that are not profitable...." (p. 38)

"The legacy of the 1980s 'bus wars' is overprovision, with dozens of buses per hour, including with duplicate competing services which do not accept each other's tickets. This is wasteful, polluting and can paradoxically make services slower and less attractive." (p. 45)

"Few services could now survive without emergency state support. If we are not to abandon entire communities, services cannot be planned purely on a commercial basis." (p. 8)

"The way the bus industry works, with few incentives for operators and local authorities to work together, has made it harder to cope with these trends, or to act strategically." (p. 19)

METHODOLOGY

This report is based on interviews with 72 bus users in England, Scotland, and Wales; 10 written statements; 42 interviews with experts on transportation and poverty, former bus drivers, government officials, activists, social workers, and union leaders; and a review of public documents, surveys, and laws concerning buses in the United Kingdom. Northern Ireland was not a focus of the research because its bus system was not privatized by the 1985 Transport Act.

Interviews were conducted by trained human rights researchers between January and June of 2021, and took place by phone or videocall due to the COVID-19 pandemic. A summary of findings and detailed questions were sent to transportation officials in England, Scotland, and Wales, and the five major private operators in Britain: Arriva, First Bus, Go-Ahead, National Express, and Stagecoach. Go-Ahead relayed the questions to the Confederation for Passenger Transport and responded to questions by phone. Transport Scotland replied past the deadline for incorporating their response in the report, but it has been included in full as Annex II. No other recipients provided a substantive response.

Researchers conducted extensive semi-structured qualitative interviews, typically 30-60 minutes in length. Interviewees included people living in urban, semi-rural, and rural areas, were socioeconomically diverse, and ranged from those who relied almost exclusively on bus transportation to those who used the service infrequently. The vast majority of interviews were conducted individually, though a small number were conducted on group calls at the request of interviewees. Researchers did not conduct surveys or statistical studies, and interviewees are not statistically representative of the broader population in Britain. Interviewees were referred to researchers by organizations working on transportation, poverty, and social issues, and were informed of the nature and purpose of the research and our intention to publish a public report. They were not compensated for their participation.

The full names of interviewees are protected to preserve their privacy and anonymity, and the names of some interviewees have been replaced with pseudonyms at their request. All instances where pseudonyms have been used are identified with quotation marks.

This report was externally reviewed by two UK transportation experts prior to publication.

1. INTRODUCTION

A History of Privatization

The United Kingdom has adopted an extreme form of bus privatization in England, Scotland, and Wales, almost unique among wealthy countries. The majority of buses are run by private companies, which are free to operate on the basis of what is commercially profitable.

Margaret Thatcher's government touted deregulation in the 1980s as a way to reverse declining bus use and deliver lower fares and improved service. A 1984 government white paper promised competition would provide an opportunity for "lower fares, new services, more passengers" and "a better service to the passenger at less cost to the ratepayer and taxpayer."¹⁴ Three decades later, the promised benefits have not materialized.¹⁵ Deregulation has left residents with a bus service run almost entirely by for-profit actors, with no authority ensuring that it meets passenger needs.¹⁶

There is a remarkable degree of consensus around the failures of the current system, including in reports from the National Audit Office, the House of Commons Transport Committee, and numerous civil society organizations.¹⁷

The 1985 Transport Act privatized and deregulated the public bus system in England (outside London), Scotland, and Wales.¹⁸ In general, it allowed anyone to start a commercial bus service and set routes and fares, without meaningful oversight or regulation, and with no overall planning of cohesive, integrated networks.¹⁹ Bus companies are not required to run a statutory minimal service and local transport authorities are not permitted to start a publicly owned bus company.²⁰ The role of government has been largely reduced to subsidizing unprofitable routes that would otherwise disappear.

The history of Britain's bus system since 1985 can perhaps best be described as a slow crawl back from deregulation through a series of half-measures that have not delivered what a publicly owned or regulated system could. Various voluntary partnerships between bus operators and local transport authorities have largely failed to noticeably improve service.²¹ New legislation has opened the door to public control of buses through franchising, but requires an onerous process which no authority has completed to date.²²

The government's new national bus strategy for England is the latest step in this incremental process. The strategy, *Bus Back Better*, released in March 2021, largely acknowledges that decades of deregulation have failed to deliver a high-quality bus service and concedes that successive governments have neglected to invest sufficient funding and

¹⁴ Department of Transport, *Buses*, 1984, 3.

¹⁵ House of Commons Transport Committee, *Bus Services in England Outside London*, 3.

¹⁶ Social Exclusion Unit, *Making the Connections*, 3.

¹⁷ See National Audit Office, *Improving Local Bus Services in England Outside London*, October 2020, <https://www.nao.org.uk/report/improving-bus-services-in-england>; House of Commons Transport Committee, *Bus Services in England Outside London*; Taylor and Sloman, *Building a World-class Bus System*; Campaign for Better Transport, *Future of Rural Bus Service*.

¹⁸ Transport Act 1985, c. 67.

¹⁹ Department for Transport, *Bus Back Better*, 38; Fuller, *Cross-sector Benefits of Backing the Bus*, 7.

²⁰ Fuller, *Cross-sector Benefits of Backing the Bus*, 7, 69; Department for Transport, *Bus Back Better*, 47; Transport Act 1985, c. 67, sec. 66; Bus Services Act 2017, c. 21 (Eng.) sec. 22(1).

²¹ Interview with transport expert, April 19, 2021; South Yorkshire Bus Review, *Establishing a World Class Bus System in South Yorkshire*, 2020, 110-112, <https://sheffieldcityregion.org.uk/wp-content/uploads/2020/06/Bus-Review-Report-June-2020.pdf>; Taylor and Sloman, *Building a World-class Bus System*, 9.

²² National Audit Office, *Improving Local Bus Services*, 44.

political attention.²³ Most significantly, it acknowledges that in the wake of the COVID-19 pandemic, services cannot be run on a purely commercial basis without abandoning entire communities.²⁴ However, its proposed reforms amount to a series of half measures that do not address the structural problems of the ongoing bus crisis or guarantee quality service. Instead, it relies largely on incentivizing partnerships between bus operators and local transport authorities, arrangements with a poor track record to date.²⁵

The Importance of Buses

Buses provide an essential service and deliver enormous social benefits. They account for some 4.5 billion journeys per year in England, Scotland, and Wales, the majority of all journeys on public transportation,²⁶ and are more heavily relied on by women, people with disabilities, older people, ethnic minorities, and those on lower incomes.²⁷ Buses connect communities and provide a lifeline for people without other forms of transport. They boost economic growth; enable access to work, education, food, and healthcare; and reduce congestion and greenhouse gases.²⁸

Buses deliver significant economic value, far repaying public investment. They can be one of the quickest and cheapest ways to improve transportation. The Department for Transport has found that major bus schemes delivered benefits worth more than four times their cost.²⁹ And buses have significant potential to help mitigate greenhouse gas emissions.³⁰ Research has found that adding a bus service to a road can double the number of people it carries.³¹ A fully loaded double-decker bus can take 75 cars off the road, dramatically reducing congestion and tail-pipe emissions.³²

²³ Department for Transport, *Bus Back Better*, 4.

²⁴ *Ibid.*, 8.

²⁵ *Ibid.*, 10.

²⁶ Department for Transport, *Annual bus statistics*, 1; Transport Scotland, *Scottish Transport Statistics*, 58; Welsh Government, "Public service vehicles."

²⁷ National Audit Office, *Improving Local Bus Services*, 5; Fuller, *Cross-sector Benefits of Backing the Bus*, 25.

²⁸ Fuller, *Cross-sector Benefits of Backing the Bus*, 2.

²⁹ Department for Transport, *Bus Back Better*, 16-18.

³⁰ Mattioli et al., "The Political Economy of Car Dependence," 1.

³¹ Steven Higashide, *Better Buses, Better Cities: How to Plan, Run, and Win the Fight for Effective Transit* (Washington, DC: Island Press, 2019), 3.

³² Fuller, *Cross-sector Benefits of Backing the Bus*, 12.

2. BAD VALUE FOR THE PUBLIC

The UK government predicted in 1984 that deregulation would lead to a better bus service, greater efficiency, and lower costs.³³ But private operators' goal is to earn a profit for shareholders, rather than providing the best possible service.³⁴ More than three decades of privatization has yet to deliver a bus service that is good value for money.³⁵

Simply put, running a bus service for profit extracts money that could and should be used to improve the system. Public or regulated systems generally reinvest revenue from profitable routes to cross-subsidize unprofitable routes, supporting a comprehensive network.³⁶ In deregulating the bus service, the government argued that cross subsidy "produces unwelcome social effects" and "does not encourage efficiency."³⁷ As a result, companies today understandably run the routes that are profitable, extract profits in the form of shareholder dividends, and leave local transport authorities to subsidize unprofitable routes at additional public expense.³⁸

While deregulation has undoubtedly been beneficial for some passengers, and certain bus operators have indeed invested in improvements like internet and new buses, transport experts and passengers said that the direction of the system as a whole was to pursue a narrower premium service at a higher cost, rather than ensuring that it works for everyone.³⁹

High Cost

The government reassured the public in 1984 that competition would bring "continuing pressure to keep costs down," and reductions of up to 30 percent of public operator costs.⁴⁰ But privatization has utterly failed to make buses more affordable. Instead, passengers have seen astronomical price increases.

In its 2021 national bus strategy for England, the government found that average bus fares have risen by an eye watering 403 percent since 1987, far higher than the increase in the cost of driving.⁴¹ Passengers said the buses were too expensive and some said that they struggled to afford the fare. Those using the bus for work said costs were rising significantly while their wages hadn't changed. And for some, buses were so expensive that driving or taking a taxi was often cheaper.

The costs of public transport have risen faster than those of running a car⁴² following decades of underinvestment in public transportation and fiscal policies that have favored car transport and infrastructure over buses.⁴³ Fuel duties have remained frozen for 11 years, subsidizing car use.⁴⁴

³³ Taylor and Sloman, *Building a World-class Bus System*, 3; Department of Transport, *Buses*, 1984, 50, 56.

³⁴ Taylor and Sloman, *Building a World-class Bus System*, 2.

³⁵ *Ibid.*, 2.

³⁶ Mattioli et al., "The Political Economy of Car Dependence," 9; Taylor and Sloman, *Building a World-class Bus System*, 2.

³⁷ Department of Transport, *Buses*, 1984, 1, 12, 20, 57.

³⁸ Department for Transport, *Bus Back Better*, 19; Fuller, *Cross-sector Benefits of Backing the Bus*, 7, 69, 109.

³⁹ Interview with transport expert, January 12, 2021.

⁴⁰ Department of Transport, *Buses*, 1984, 2, 12.

⁴¹ Department for Transport, *Bus Back Better*, 59.

⁴² *Ibid.*

⁴³ Social Exclusion Unit, *Making the Connections*, 39; Mattioli et al., "The Political Economy of Car Dependence," 12.

⁴⁴ James Attwood, "Budget 2021: Fuel Duty Remains Frozen to Reduce Transport Costs," *Autocar*, March 3, 2021, <https://www.autocar.co.uk/car-news/industry-news-government/budget-2021-fuel-duty-remains-frozen-reduce-transport-costs>.

A For-profit Service

The consequence of a commercialized bus system is that private operators aim to make a profit regardless of the cost to the public and the service itself. According to Transport for Quality of Life, bus companies across Britain averaged an operating profit of £297 million per year in the ten years prior to 2013—almost all of which was paid out in dividends to shareholders, a revenue “leakage” of £2.8 billion over that period. Profits and dividends were proportionately higher in deregulated areas, with average profits of more than 8 percent in big cities compared to less than 4 percent in regulated London. Meanwhile, “retained profits” reinvested in the system were very low, just 0.2 to 1.5 percent of turnover.⁴⁵

Bus companies are understandably focused on maximizing profits, even where it involves degrading the overall bus service. Initial competition in the deregulated market quickly gave way to monopolies, where bus operators found they could make more money by hiking fares and cutting services.⁴⁶ One local transport official said, “You end up in a silly situation where they become very profitable but ridership is falling. [Bus companies] have figured out how to extract the maximum from people who can’t afford a car and are forced to ride.”⁴⁷ Transit research has generally shown that increasing fares helps operators’ bottom line while driving riders away, and can be an enormous hardship for lower income riders.⁴⁸

The Public on the Hook

The government predicted in 1984 that transferring the bus service to the private sector would remove “any potential future liability on the taxpayer to provide capital or make good losses.”⁴⁹ But far from taking buses off the government books, privatization has left the public on the hook for billions of pounds a year in subsidies.

A 2019 House of Commons Transport Committee report on bus services in England outside London found that the government was providing 42 percent of the funding for bus services, amounting to some £2 billion per year through various programs.⁵⁰ According to the Urban Transport Group, local transport authorities spent £370 million subsidizing non-profitable routes in those areas in 2017/18.⁵¹ Certainly there is nothing wrong with funding a vital transportation system, but in Britain such public funds are supporting private company profits and dividends.

The COVID-19 pandemic has demonstrated the full extent to which the public purse still bears the financial risk of the bus industry, while private companies have extracted considerable profits. As ridership collapsed, the government stepped in with hundreds of millions in emergency funding.⁵² In England, it paid the same level of fuel duty rebate despite lower levels of service, and asked local transport authorities to continue

⁴⁵ Taylor and Sloman, *Building a World-class Bus System*, 6, 7.

⁴⁶ *Ibid.*, 5.

⁴⁷ Interview with local transport official, October 1, 2020.

⁴⁸ Higashide, *Better Buses*, 86.

⁴⁹ Department of Transport, *Buses*, 1984, 17.

⁵⁰ House of Commons Transport Committee, *Bus Services in England Outside London*, 11, 19.

⁵¹ Fuller, *Cross-sector Benefits of Backing the Bus*, 8.

⁵² National Audit Office, *Improving Local Bus Services*, 39.

subsidizing bus operators at pre-COVID rates despite service cuts—essentially operating a nationalized system funded at public expense, but without any of the benefits, control, or reinvestment.⁵³ One local transport official said, “About 90 percent of bus revenues this year are coming from the government right now, but we have no say in their operations.”⁵⁴

⁵³ Urban Transport Group, *Supporting Bus Services in the COVID-19 Recovery Period*, July 2020, 1-2, <https://www.urbantransport-group.org/system/files/general-docs/Bus%20funding%20briefing%20v3%20120720%20FINAL.pdf>.

⁵⁴ Interview with local transport official, October 1, 2020.

3. A BROKEN SYSTEM

The lack of any overall strategy or centralized organization has resulted in a fragmented collection of bus routes that too often do not work for the people who need them. In 1984, the government argued that privatization would improve bus service, heralding major improvements in efficiency: “Without the dead hand of restrictive regulation fares could be reduced now on many bus routes and the operator would still make a profit. New and better services would be provided. More people would travel.”⁵⁵ The government confidently predicted that operators would not risk the goodwill of passengers by “unreliability or by frequent changes in timings, routes or fares.”⁵⁶

Today, the government’s own bus strategy for England has recognized the failure of that approach, finding that “services can be confusing, split between different companies who do not accept each other’s tickets or, in some cases, acknowledge each other’s existence” and that buses are “slower, less reliable and costlier to run.”⁵⁷ Privatization has largely resulted in a poor or mediocre service with disappearing routes, lower bus frequency, poor reliability, falling ridership, limited coverage, inefficient competition, and no real integration within the network or with other transport options. People interviewed for this report said that the bus system simply did not work for them and was not one they wanted to use.

Transportation experts have found that the Britain’s privatized approach to bus provision is a direct obstacle to a functional service. Transport for Quality of Life concluded that there is a “fundamental conflict between deregulation and a world-class bus system” because deregulation makes it impossible for services to work together as a unified network and prevents cost-effective use of public money.⁵⁸ Giulio Mattioli, a transportation expert at TU Dortmund University, determined that it led to fare increases, a strong decline in passenger numbers, fragmentation of services, increased car dependence, and transport-related social exclusion.⁵⁹

South Yorkshire provides a useful case study in the impact of privatization. Prior to deregulation, the county council subsidized bus fares, allowing passengers to travel at low cost almost 24 hours a day. But a 2020 review found that the service has since become unreliable, buses are not integrated with other forms of transport, information is scarce, fares have consistently risen above inflation, and passengers must pay a premium for a ticket that does not restrict them to a particular operator. In the five years following deregulation, passenger numbers fell 50 percent.⁶⁰

Far from the promised efficiency gains, deregulation has resulted in remarkable inefficiency. Competition has given way to monopolies in many areas,⁶¹ where passengers often have no alternative when operators raise prices or cut routes.⁶² On the other hand, those served by competing operators must navigate duplicate bus routes, timetables, and tickets.⁶³

⁵⁵ Department of Transport, *Buses*, 1984, 16, 2.

⁵⁶ *Ibid.*, 51.

⁵⁷ Department for Transport, *Bus Back Better*, 8.

⁵⁸ Taylor and Sloman, *Building a World-class Bus System*, 2.

⁵⁹ Mattioli et al., “The Political Economy of Car Dependence,” 10.

⁶⁰ South Yorkshire Bus Review, *Establishing a World Class Bus System*, 11, 13, 45, 109, 14, 21.

⁶¹ Fuller, *Cross-sector Benefits of Backing the Bus*, 7; National Audit Office, *Improving Local Bus Services*, 21.

⁶² Mattioli et al., “The Political Economy of Car Dependence,” 9-10.

⁶³ House of Commons Transport Committee, *Bus Services in England Outside London*, 38.

Disappearing Coverage

Perhaps the starkest consequence of running a bus system for profit is the number of routes wholly or partially cut because they are not profitable.⁶⁴ The government argued in its 1984 white paper that privatization would slow or halt the decline in service, and expand the total market for public transport: “If one operator fails to provide a service that is wanted, another will.”⁶⁵ But too often, when an operator finds a route is not commercially profitable, that route simply disappears. Instead of consumer choice replacing regulation, passengers are left with no choice at all.⁶⁶

Deregulation left local transport authorities to prop up unprofitable routes at additional public cost,⁶⁷ but there is no clearly defined obligation for them to fund a minimum service.⁶⁸ And their ability to subsidize routes has been eroded over a decade of austerity,⁶⁹ as the government has cut hundreds of millions of pounds in annual funding for buses.⁷⁰ It is no surprise that many authorities have cut support dramatically, and some have slashed it entirely.⁷¹

The result has been deep cuts to bus service across the country. According to the Campaign for Better Transport, more than 3,000 local authority bus routes in England alone have been wholly or partially cut since 2009, and miles on local authority funded bus services were cut by 54 percent between 2009/10 and 2017/18.⁷² Many bus users said they had faced cuts or reductions to their local service, describing routes disappearing overnight with no apparent warning.

In some cases, residents have had to go so far as starting a bus company because the government has condemned them to a lack of service.⁷³ While such volunteer efforts are a testament to the ingenuity of residents and the importance of bus transport, they are not a sustainable solution to the problem and are a striking illustration of the government’s failure to provide a basic service.

Limited Service

Under Britain’s deregulated system, buses only run as frequently as they are profitable or local authorities are capable of subsidizing. Many of those interviewed said their bus did not arrive often enough, operated limited hours, and was not adequate to get them where they needed to go. Some said that they had just an hourly service, and others have just a single bus per week.

Passengers said that the limited service made it extremely difficult or impossible

⁶⁴ Fuller, *Cross-sector Benefits of Backing the Bus*, 69.

⁶⁵ Department of Transport, *Buses*, 1984, 2, 25.

⁶⁶ *Ibid.*, 49.

⁶⁷ Taylor and Sloman, *Building a World-class Bus System*, 9.

⁶⁸ House of Commons Transport Committee, *Bus Services in England Outside London*, 25.

⁶⁹ National Audit Office, *Improving Local Bus Services*, 8.

⁷⁰ Campaign for Better Transport, *Future of the Bus: Future funding arrangements*, October 2019, 9-14, <https://bettertransport.org.uk/sites/default/files/research-files/future-bus-funding-arrangements.pdf>.

⁷¹ Campaign for Better Transport, *Transport Deserts: The absence of transport choice in England’s small towns*, February 2020, 5, <https://bettertransport.org.uk/sites/default/files/research-files/transport-deserts-2020.pdf>.

⁷² Campaign for Better Transport, *Future of the Bus*, 7, 6.

⁷³ Aditya Chakraborty, “The Town that Refused to Let Austerity Kill its Buses,” *Guardian*, June 6, 2018, <https://www.theguardian.com/commentisfree/2018/jun/06/rural-town-austerity-buses-witney>; Interview with Anny, 75, West Oxfordshire, February 9, 2021.

to rely on the bus. For example, Joe, 29, said that before the pandemic, he was ending shifts at 1:00 or 2:00am, and would either have to pay for a taxi or walk 45 minutes home because of limited service.⁷⁴

A combination of deregulated transport and land use planning policies that have encouraged out of town development has meant private operators have simply failed to connect many passengers to places of housing and employment.⁷⁵ New developments are not required to be accessible by public transportation, and private operators may have no incentive to provide it.⁷⁶ Transport for New Homes has extensively studied new housing developments and concluded that they are often based around car use and in relatively isolated areas. It found the government was co-funding roads with developers but was not incentivizing public transportation.⁷⁷

Poor Reliability

Deregulation has failed to provide a reliable bus service. Passengers said buses were frequently late, did not show up at all, or often broke down. The Joseph Rowntree Foundation has found that buses are often considered unreliable, especially for longer journeys or those involving transfers, limiting access to work.⁷⁸ Bus users voiced frustration at waiting for buses that are consistently late or simply don't come at all. Those reliant on buses also described navigating a remarkable obstacle course just to use a basic service to get to work or appointments on time. Former bus drivers said that before privatization, more drivers were kept on standby to take over a route if necessary and guarantee reliability, but that it was not profitable to do so under the current system.⁷⁹

Lack of Information

Several passengers said that they did not have adequate information about their bus service, routes, timetables, and pricing, either because the information was difficult to locate, or because the existence of multiple operators made it confusing to piece together. The government's own bus strategy for England found that information online is often incomplete or misleading, and some apps do not include all services available.⁸⁰ Some operators have stopped posting up-to-date physical timetables,⁸¹ and others do not provide public information about their fare structures, forcing passengers to actively research what their trip will cost.⁸² Those without internet access said they face additional barriers.

⁷⁴ Interview with Joe, 29, Sheffield, April 6, 2021.

⁷⁵ Social Exclusion Unit, *Making the Connections*, 4.

⁷⁶ House of Commons Transport Committee, *Bus Services in England Outside London*, 40.

⁷⁷ Transport for New Homes, *Project Summary and Recommendations*, July 2018, 5, <https://www.transportfornewhomes.org.uk/wp-content/uploads/2018/07/transport-for-new-homes-summary-web.pdf>.

⁷⁸ Richard Crisp et al., *Tackling Transport-related Barriers to Employment in Low-income Neighbourhoods* (York: Joseph Rowntree Foundation, 2018), 7, 44-45, <https://www.jrf.org.uk/report/tackling-transport-related-barriers-employment-low-income-neighbourhoods>.

⁷⁹ Interview with former bus driver, West Yorkshire, April 27, 2021.

⁸⁰ Department for Transport, *Bus Back Better*, 63.

⁸¹ House of Commons Transport Committee, *Bus Services in England Outside London*, 35.

⁸² Crisp et al., *Tackling Transport-related Barriers to Employment*, 58.

A Fragmented System

Deregulation has made it impossible to run the type of integrated network of services that is taken for granted in many countries around the world. The government argued in 1984 that a free-market approach would outperform an integrated, regulated system, confidently predicting that “informal measures of co-operation between operators will develop to ensure that their services connect.”⁸³ But deregulation of bus transport has led to a deeply fragmented system that would shock those not accustomed to it: multiple private bus operators competing in the same areas and sometimes on the same routes, timetables that do not line up between operators or other modes of transportation, and multiple ticketing options that add needless complication to bus journeys.⁸⁴

The lack of integration means that passengers often have to pay multiple fares for different bus operators or modes of transport like rail or ferry,⁸⁵ and timetables are often not coordinated. For example, Judith, 60, noted that a bus route near her home in Essex was recently extended to the local railway station, but that the bus arrives right when the train to London pulls out, with a 30-minute wait until the next train.⁸⁶

Falling Ridership and Forced Car Ownership

While the rise of the private car and consequent decline in bus use predated privatization and deregulation,⁸⁷ the adoption of that strategy appears to have exacerbated the decline. It destroyed rising trends in metropolitan areas that had strong pro-bus policies.⁸⁸ Passengers said that cuts to bus routes and frequency, general unreliability, and a fragmented system meant that they were far less likely to use the bus.

And indeed, ridership has fallen dramatically in recent years. According to the Campaign for Better Transport, between 1982 and 2016/2017, passenger journeys on local bus services fell 38 percent in England outside London, 45 percent in Wales, and 43 percent in Scotland.⁸⁹ By contrast, a 2020 National Audit Office report found that London, which remains regulated, has seen an 89 percent increase since the rest of the country was deregulated.⁹⁰

The failures of the bus service have pushed more lower-income people into car ownership, including forced car ownership for people who cannot afford one but have no other choice.⁹¹ People on short term or zero-hours contracts, or those who need to change homes or workplaces unexpectedly, may not be able to rely on limited bus services. This is

⁸³ Department of Transport, *Buses*, 1984, 13, 53.

⁸⁴ Department for Transport, *Bus Back Better*, 20.

⁸⁵ Campaign for Better Transport, *Transport Deserts*, 15; Crisp et al., *Tackling Transport-related Barriers to Employment*, 48.

⁸⁶ Interview with Judith, 60, Essex, February 12, 2021.

⁸⁷ Department of Transport, *Buses*, 1984, 30.

⁸⁸ Taylor and Sloman, *Building a World-class Bus System*, 3.

⁸⁹ Campaign for Better Transport, *Future of Rural Bus Service*, 59.

⁹⁰ National Audit Office, *Improving Local Bus Services*, 7.

⁹¹ Giulio Mattioli, “‘Forced Car Ownership’ in the UK and Germany: Socio-spatial patterns and potential economic stress impacts,” *Social Inclusion* 5, no. 4 (December 2017): 158, <https://doi.org/10.17645/si.v5i4.1081>; Campaign for Better Transport, *Future of Rural Bus Service*, 33; Karen Lucas et al., *Inequalities in Mobility and Access in the UK Transport System* (London: Government Office of Science, 2019), 17, https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/784685/future_of_mobility_access.pdf.

especially true in rural areas. One study found that more than 9 percent of UK households experience car-related economic stress—including 67 percent of car-owning households in the lowest income quintile.⁹²

⁹² Lucas et al., *Inequalities in Mobility and Access*, 7, 17; Giulio Mattioli, Zia Wadud, and Karen Lucas, "Vulnerability to Fuel Price Increases in the UK: A household level analysis," *Transportation Research Part A: Policy and Practice* 113 (February 2019): 227, 238, <https://doi.org/10.1016/j.tra.2018.04.002>.

4. HUMAN RIGHTS IMPACTS

The failures baked into the bus system over the last three decades don't just cause inconvenience. They have resulted in serious negative human rights impacts for people who rely on buses, including to access work, education, healthcare, and food, and to move out of poverty. The consequences have been especially severe for those in rural areas, older people, and people with disabilities. Women take the bus more frequently and are therefore disproportionately impacted in all of these areas.⁹³ Inadequate transport systems also jeopardize a great many people's ability to take part in their society and cultural life, such as their ability to visit local community centers, access libraries, attend football matches and other sporting events, and spend time with their families and friends. Because bus services are operated by unaccountable private companies, those who are affected often have little recourse when their rights are infringed.

Low-income People

Buses are essential for low-income people.⁹⁴ They enable access to jobs and training and help people move out of poverty.⁹⁵ Some 40 percent of people in the lowest income households do not have access to a car, and those on lower incomes take the highest number of bus trips.⁹⁶

Such individuals can face severe barriers to public transport and are heavily impacted by rising costs and service cuts. They often have worse bus access,⁹⁷ may not be able to afford it,⁹⁸ work non-standard hours,⁹⁹ and are more likely to rely on the bus as their only option.¹⁰⁰ An inability to afford transportation can prevent people from accessing necessary services, limit access to work, reduce quality of life, increase health inequalities, and lead to social isolation.¹⁰¹

Some passengers said that the buses were so expensive they were sometimes forced to walk long distances or cut out other expenses in order to pay for transportation. One 2019 study found that low-income households typically spend 25 percent of their income on commuting costs, almost double the average.¹⁰² And those working low paid jobs spend a significant portion on transportation, entrenching in-work poverty.¹⁰³

Stan, 67, who now has a concessionary pass that enables older people to travel free during off-peak hours, said he used to sacrifice on food or utility bills in order to afford bus fares.¹⁰⁴ Dean, 35, in Newcastle, said "There are times when I won't pay for another thing

⁹³ Department for Transport, *Annual Bus Statistics: England 2019/20*, 19.

⁹⁴ Urban Transport Group, *What Scope for Boosting Bus Use?*, October 2019, 5, <https://www.urbantransportgroup.org/resources/types/reports/what-scope-boosting-bus-use-analysis-intrinsic-bus-potential-local-authority>.

⁹⁵ Poverty and Inequality Commission, *Transport and Poverty in Scotland*, 2.

⁹⁶ Lucas et al., *Inequalities in Mobility and Access*, 23.

⁹⁷ Kiron Chatterjee et al., *Access to Transport and Life Opportunities* (London: NatCen Social Research, 2019), 10, https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/831766/access_to_transport_report.pdf.

⁹⁸ The Poverty Alliance and Oxfam, *Poverty and Transport Event: Summary report*, June 2019, 4, <https://povertyinequality.scot/wp-content/uploads/2019/06/Poverty-Alliance-Oxfam-transport-event-.pdf>.

⁹⁹ Joseph Rowntree Foundation, *UK Poverty 2019/20*, February 2020, 40, <https://www.jrf.org.uk/report/uk-poverty-2019-20>.

¹⁰⁰ *Ibid.*, 43.

¹⁰¹ Poverty and Inequality Commission, *Transport and Poverty in Scotland*, 2.

¹⁰² Lucas et al., *Inequalities in Mobility and Access*, 8.

¹⁰³ Poverty Alliance and Oxfam, *Poverty and Transport Event*, 5.

¹⁰⁴ Interview with Stan, 67, Newcastle, April 19, 2021.

because travel is the most important, because I have to get to the hospital.... Sometimes it might be a bill, like the gas bills.”¹⁰⁵

Those without access to debit or credit cards face additional barriers. Dean said that bus drivers have regularly told him they cannot take cash or give him change for a ticket, causing him to miss an important hospital appointment and at other times to walk two hours home.¹⁰⁶

Asylum seekers in the UK survive on a very limited fixed income of £39.63 per week¹⁰⁷ and are not permitted to work, making it extremely difficult for them to afford bus fares. One asylum worker said, “The Home Office breakdown allocated three pounds a week for transport, so that doesn’t even pay for a four-pound ‘day rider.’ They can literally be spending the whole of their asylum support trying to get buses.”¹⁰⁸

Loss of Economic Opportunities and Work

The costly, limited, and unreliable service under the deregulated bus system has had a profound impact on people’s ability to find employment, get to work, and keep their jobs. More people commute to work by bus than all other forms of public transportation combined. A 2013 survey found that 77 percent of jobseekers in British cities outside London do not have access to a car, van, or motorbike.¹⁰⁹ But interviewees said that limited bus service severely constrained their job search, lost them income, lengthened their commutes, or even cost them jobs.

Inadequate transport limits job search horizons, makes it difficult for job seekers from deprived backgrounds to attend interviews, and prevents them from keeping a job.¹¹⁰ According to the Joseph Rowntree Foundation, transportation is a key barrier to employment for people in low-income neighborhoods, and is too often seen as constraining, not enabling, work.¹¹¹ The high costs of transport, poor service outside standard working hours, and a lack of reliability, can lead jobseekers to give up on certain areas of work or entire forms of transport.¹¹² One 2012 survey by the Institute for Transport Studies found that 19 percent of workers had turned down a job because of the quality of bus service.¹¹³ And several people said that the bus schedule made it difficult or impossible to find work outside of a traditional 9:00-5:00 schedule.

Some of those interviewed said bus cuts or lack of service had cost them their jobs. Lee in Hartlepool said:

They have stranded quite a few people. This particular bus route cost me a job..... I had to quit because of the bus. At the time, 2008-2009 we had the big market crash, jobs were few and far between to start with, for Stagecoach to pull a really

¹⁰⁵ Interview with Dean, 35, Newcastle, April 19, 2021.

¹⁰⁶ Ibid.

¹⁰⁷ “Asylum Support,” GOV.UK, accessed June 17, 2021, <https://www.gov.uk/asylum-support/what-youll-get>.

¹⁰⁸ Interview with asylum worker, February 25, 2021.

¹⁰⁹ Fuller, *Cross-sector Benefits of Backing the Bus*, 10.

¹¹⁰ Lucas et al., *Inequalities in Mobility and Access*, 7.

¹¹¹ Crisp et al., *Tackling Transport-related Barriers to Employment*, 1.

¹¹² Ibid., 41, 53, 55.

¹¹³ Peter Mackie, James Laird, and Daniel Johnson, *Buses and Economic Growth* (Leeds: Institute for Transport Studies, 2012), 11, https://www.its.leeds.ac.uk/fileadmin/user_upload/News/BusesEconomicGrowth_FINAL-REPORT.pdf.

important bus route was a kick in the teeth for a lot of people.... It took a while to find another job, about two years.¹¹⁴

Some passengers said that the lack of available or affordable buses made it virtually impossible to fulfill their job search requirements while on benefits. Job seekers who restricted their search to what was feasible on public transportation said they were punished. Phil, 36, said he had to turn down jobs because there was no guarantee he could make the shift on time or make it home:

I learned to restrict my job search to the close local mileage, but that leads you to getting into trouble with [the Department of Work and Pensions], because you aren't fulfilling what they say you should be doing by looking only local. I got my money stopped.... because over a two-month span, my job search wasn't deemed adequate.¹¹⁵

Discounted travel may be available for jobseekers or benefits recipients, but those with experience using the bus to look for work said they were either not made aware of it or that it involved too many requirements to be practical. The Poverty Alliance found that there was "extremely low awareness" of discounted travel among those claiming JobSeekers Allowance or Universal Credit, and that even JobCentre Plus staff were unaware of the scheme or did not promote it.¹¹⁶

A Worse Employer

Privatization also appears to have resulted in lower quality jobs in the bus sector and unsafe working conditions. The House of Commons Transport Committee has expressed concern over safety, recruitment, and retention in the bus industry, with long hours and poor pay.¹¹⁷ Bus companies have reportedly used "fire and rehire" tactics, including during the pandemic, to impose worse terms and conditions on drivers.¹¹⁸

One union official noted that drivers' wages at the large private companies are significantly lower than they would have been in the public sector had prior trends continued. He said that municipally owned companies tended to reinvest profits, and so generally paid the best wages, provided a better service, had better conditions and worker satisfaction, and lower driver turnover. Even under a regulated system like London's, he said private companies strive to submit the lowest bids, leading to a race to the bottom, cuts to drivers' wages, and longer hours.¹¹⁹

"William," 66, a former driver and controller, said that after privatization, working conditions became more difficult, with pressure to work on impossible margins:

¹¹⁴ Interview with Lee, Hartlepool, March 19, 2021.

¹¹⁵ Interview with Phil, 36, Stoke-on-Trent, March 23, 2021.

¹¹⁶ Poverty Alliance and Oxfam, *Poverty and Transport Event*, 5.

¹¹⁷ House of Commons Transport Committee, *Bus Services in England Outside London*, 10.

¹¹⁸ Rebecca Long-Bailey, "The Fire and Rehire Scandal on Greater Manchester's Buses," *Tribune*, March 18, 2021, <https://tribunemag.co.uk/2021/03/the-fire-and-rehire-scandal-on-manchesters-buses>.

¹¹⁹ Interview with union official, October 22, 2020.

We found in many cases bad scheduling, and people asked to drive a vehicle and it was physically impossible to do those routes at those times on those days.... When I was a controller, pressure was on the duty manager to get the vehicles on the road, we used to put pressure on the drivers to work, and they weren't always as careful on making sure the law was obeyed. As long as the vehicles were on the road, they didn't care as much about the risk.¹²⁰

Another retired bus driver, said that timetables were squeezed in an effort to maximize profits:

We didn't think it was safe. It's impossible to keep alert for that amount of time; when you've got all these passengers on, your mind starts shutting down, you're mentally tired.... It was all about cutting down to the absolute minimum.... You ended up with a feeling of absolute hopelessness, you couldn't possibly keep the service up. Despair, that's the word. I felt sorry, I really felt sorry to the traveling public.¹²¹

Education

Children in the United Kingdom aged 5-16 qualify for free school transport if they go to their nearest suitable school and live a certain distance away.¹²² But poor bus services can restrict access to education and extracurricular activities,¹²³ and transport problems are linked to low participation in post-16 education and to college dropouts. Almost 300,000 children cannot reach a secondary school within 30 minutes by public transportation.¹²⁴

Some of those interviewed said they had to give up educational opportunities or training because of the bus service. For example, "JN," 65, said that she had previously been doing training courses, but moved to an area where getting to college by bus was difficult, so she had to stop.¹²⁵

Health

Many depend on buses as their only means of transport to access healthcare. Poor bus provision can restrict access, cause people to miss appointments, and delay medical treatment.¹²⁶ Transportation problems are estimated to account for 10 percent of missed hospital outpatient appointments¹²⁷ and, according to the Urban Transport Group, the cost of missed medical appointments amounts to some £750 million per year.¹²⁸

Some interviewees said that accessing hospitals without public transportation

¹²⁰ Interview with "William," 66, Bradford, March 8, 2021.

¹²¹ Interview with former bus driver, West Yorkshire, April 27, 2021.

¹²² "Free School Transport," GOV.UK, accessed June 17, 2021, <https://www.gov.uk/free-school-transport>.

¹²³ Poverty Alliance and Oxfam, *Poverty and Transport Event*, 5.

¹²⁴ Lucas et al., *Inequalities in Mobility and Access*, 10-11.

¹²⁵ Interview with "JN," 65, Dorset, February 15, 2021.

¹²⁶ Poverty and Inequality Commission, *Transport and Poverty in Scotland*, 5.

¹²⁷ Lucas et al., *Inequalities in Mobility and Access*, 12.

¹²⁸ Fuller, *Cross-sector Benefits of Backing the Bus*, 11.

options could be extremely expensive, and unaffordable for those on lower incomes. Others said that it was impossible for them to access the hospital by bus, leading them to miss appointments or pay exorbitant amounts for taxis.

Bus services also contribute to mental health and wellbeing by promoting physical activity and enabling connection with others.¹²⁹ Bus travel can provide meaningful social interaction and help alleviate chronic loneliness.¹³⁰ On the other hand, cuts to bus services can be devastating for those who rely on them. Patricia, 64, said “I lost all my friends when the buses started going the way they went. I couldn’t go out because there are no buses at night. So now the only time I hear from a friend is on the phone. I’ve lost all my friends, I have no social life.”¹³¹

People with Disabilities

Buses are the most common form of public transportation used by people with disabilities, and in some areas, they are the only form of accessible transportation available.¹³² However, bus cuts and poor service have made them difficult to rely on. Some disability rights experts and organizations said that the deregulated bus system was especially problematic for people with disabilities because they cannot rely on a single standard of accessible service across Britain, and must depend on each individual operator’s approach—though one organization argued that the deregulated system made it easier for companies to implement their own reforms.¹³³

Although buses are required to have at least one wheelchair space,¹³⁴ they have been slower to adopt audio and visual information formats that meet the needs of people with different forms of disabilities. Wheelchair users also stressed that the single wheelchair space put them in direct conflict with other passengers and people with luggage or buggies. They said bus drivers often did not enforce wheelchair priority, leaving them waiting at the side of the road while the buses went past before they could find one with an available space. “Phoebe,” 63, said it was not unusual for her to wait for three buses before she can get on one with her wheelchair.¹³⁵

Older People

Buses are the most popular form of public transport for older people, and can be a lifeline for those without alternatives. According to Age UK, a third of older households in rural areas have no access to a vehicle, yet less than half of households in rural areas live within a 13-minute walk of an hourly bus service.¹³⁶ Age UK Wales found that many older

¹²⁹ Ibid., 11, 81.

¹³⁰ Lucas et al., *Inequalities in Mobility and Access*, 15.

¹³¹ Interview with Patricia, 64, Cheshire, January 15, 2021.

¹³² Fuller, *Cross-sector Benefits of Backing the Bus*, 19; interview with Doug Paulley, Leeds, February 26, 2021.

¹³³ Interview with disability rights experts, March 11, 2021.

¹³⁴ “Buses and Coaches,” Rights of Disabled Passengers on Transport, GOV.UK, last modified August 30, 2019, <https://www.gov.uk/guidance/rights-of-disabled-passengers-on-transport#buses-and-coaches>.

¹³⁵ Interview with “Phoebe,” 63, Glasgow, March 8, 2021.

¹³⁶ Age UK, *Public Transport: England*, January 2018, 2, https://www.ageuk.org.uk/globalassets/age-uk/documents/policy-positions/active-communities/ppp_public_transport_england.pdf.

people rely “completely” on buses for going about their daily lives.¹³⁷

Many older people said they were worried that bus cuts would leave them stranded when they were no longer able to drive, and several said they were considering abandoning their homes just to move somewhere with a better service. One advocate said that even for households with a car, it was not uncommon for the sole driver to pass away first, leaving their partner “doubly stranded.”¹³⁸

People living in London, Scotland, Wales, and Northern Ireland can get a concessionary pass to travel for free on buses at the age of 60,¹³⁹ an important measure that guarantees older people access to transport. But in England outside London, the government has tied the bus pass to the female state pension age—which was changed from 60 to 66, severely penalizing those on the cusp of retirement who had every expectation that they could rely on a pension and a free bus pass in the next phase of their lives.¹⁴⁰ The UK government should rectify this injustice.

Many interviewees described severe disappointment in not getting a bus pass at age 60, and a bitter sense of unfairness that people living in other parts of the UK were granted concessionary travel at that age. The Urban Transport Group found that the English National Concessionary Travel Scheme is cost effective, generating £1.48 in public benefits for every £1 of public money spent in metropolitan areas alone.¹⁴¹ And research by Greener Journeys has found that the scheme generates £2.87 in benefits for every £1 spent.¹⁴²

Rural Areas

The abysmal state of the bus system in many rural areas is perhaps the strongest argument against a deregulated, for-profit approach to public transportation. In rural areas with lower density populations, bus services are often not commercially profitable. Without cross-subsidy from more profitable routes, they are either subsidized by local authorities or cut. Council-supported bus services in rural areas of England have declined an astonishing 40 percent in the past decade.¹⁴³

For those without adequate access to personal transportation, rural buses are a lifeline.¹⁴⁴ But people in rural areas said they had poor bus service or none at all, that they could not rely on the bus to access work or essential services, and that they feared cuts to surviving routes.

There is a clear need for public transportation in rural areas, as a significant part of the population does not have adequate access to a car. As of 2019, the Urban Transport

¹³⁷ Age Cymru, *Buses – A Lifeline for Older People: Older people's experience of bus service in Wales*, December 2013, 1, <https://www.ageuk.org.uk/globalassets/age-cymru/documents/policy/buses---a-lifeline-for-older-people/buses---a-lifeline-for-older-people.pdf>.

¹³⁸ Interview with older persons' rights advocate, Wales, February 22, 2021.

¹³⁹ “Apply for an Older Person's Bus Pass,” GOV.UK, accessed June 17, 2021, <https://www.gov.uk/apply-for-elderly-person-bus-pass>.

¹⁴⁰ “Increases in the State Pension Age for Women Born in the 1950s,” House of Commons Library, last modified September 18, 2020, <https://commonslibrary.parliament.uk/research-briefings/cbp-7405>.

¹⁴¹ Fuller, *Cross-sector Benefits of Backing the Bus*, 75.

¹⁴² George Holley-Moore and Helen Creighton, *The Future of Transport in an Ageing Society* (London: ILC-UK, 2015), 20, <https://ilcuk.org.uk/wp-content/uploads/2018/10/The-Future-of-Transport-in-an-Ageing-Society-FINAL.pdf>.

¹⁴³ Fuller, *Cross-sector Benefits of Backing the Bus*, 61.

¹⁴⁴ Taylor and Sloman, *Building a World-class Bus System*, 3; Campaign for Better Transport, *Future of Rural Bus Service*, 3.

Group estimated that 10 percent of rural households do not have access,¹⁴⁵ and the Campaign to Protect Rural England estimates this includes 50 percent of rural residents during the day.¹⁴⁶

However, the UK Government has failed to present a real plan for meeting rural transport needs.¹⁴⁷ Policymakers appear to have largely given up on providing a viable bus service in rural areas, and even some transportation organizations limit their focus to on-demand service or volunteer operations rather than tackling the dire need for actual bus provision. The 2021 Bus Strategy for England focused almost exclusively on “demand responsive travel in smaller vehicles,” an astonishing failure of vision for a much-awaited national strategy.¹⁴⁸

There is no reason why rural parts of the United Kingdom cannot have a functioning bus service.¹⁴⁹ The Zurich region of Switzerland guarantees villages of 300 people or more at least an hourly service seven days a week. In North Hesse, Germany, bus routes reach all communities with more than 200-250 residents on at least an hourly basis, with ambitions to double public transport use by 2030.¹⁵⁰ Notably, none of these systems rely on an unregulated market to provide this essential service.

In 2021, CPRE, the countryside charity, released new modelling showing that the government could deliver an hourly bus to every village in England every day from 6:00am to midnight for £2.7 billion annually, with a range of options to make the network revenue neutral.¹⁵¹

Because the UK government has not provided viable public transportation in rural areas, that work has often fallen on community transport and volunteers. The campaign for Better Transport estimates that there are more than 600 organizations providing community transport in Rural England, including almost 50,000 volunteers.¹⁵² These efforts provide an admirable lifeline, but are no substitute for the government fulfilling its responsibilities, because they cannot reach all who need them and are ultimately dependent on the goodwill of volunteers.

Similarly, on-demand transport, the government’s chosen approach, is no magic solution and not a substitute for a traditional bus. While it can provide an important service, it is not necessarily a cost-saving approach and may carry fewer passengers than even a low-ridership route.¹⁵³ The 2021 national bus strategy for England acknowledges that “several” commercial operators have failed to run these services for profit.¹⁵⁴ And transportation experts stressed that none of these options are an adequate replacement for a traditional bus service.¹⁵⁵

¹⁴⁵ Fuller, *Cross-sector Benefits of Backing the Bus*, 61.

¹⁴⁶ CPRE, The Countryside Charity, *Policy Guidance Notes: Transport*, January 2011, 5, https://www.cpre.org.uk/wp-content/uploads/2019/11/2472_policy_guidance_notes_transport_1.pdf.

¹⁴⁷ Campaign for Better Transport, *Future of Rural Bus Service*, 3.

¹⁴⁸ Department for Transport, *Bus Back Better*, 13.

¹⁴⁹ Campaign for Better Transport, *Future of Rural Bus Service*, 32.

¹⁵⁰ CPRE, The Countryside Charity, *Every Village, Every Hour: A comprehensive bus network for rural England*, March 2021, 13, 15, https://www.cpre.org.uk/wp-content/uploads/2021/03/CPRE_Every-village-every-hour_report.pdf.

¹⁵¹ *Ibid.*, 4.

¹⁵² Campaign for Better Transport, *Future of Rural Bus Service*, 41.

¹⁵³ Higashide, *Better Buses*, 108.

¹⁵⁴ Department for Transport, *Bus Back Better*, 65.

¹⁵⁵ Interview with transport expert, December 1, 2020; Interview with transport expert, February 22, 2021.

Food

Even in a wealthy country like the United Kingdom, poor public transportation can restrict people's access to the food they need. As of 2019, more than 6 percent of the population, some 3.34 million people, could not reach any food stores within 15 minutes by public transport.¹⁵⁶ A lack of food choices in disadvantaged communities can lead to poor diets and health, which is associated with increased risk of coronary heart disease, diabetes, obesity, and cancer.¹⁵⁷ And barriers to accessing cheaper stores can contribute to the "poverty premium," whereby lower-income people pay more for their food.¹⁵⁸

Accountability

In 1984, the government promised a future in which passengers would be able to determine the services they wanted under a deregulated system.¹⁵⁹ But three decades later, passengers have little or no control over the bus networks they depend on.¹⁶⁰ In 2020, the National Audit Office (NAO) found that bus operators are "not accountable to the Department [for Transportation] or local authorities for delivering commercial services" and "are not formally accountable for the reliability and punctuality of bus services to local people."¹⁶¹ The NAO also found that deregulation limited the Department for Transport's ability to influence improvements.¹⁶²

Interviewees said they felt that private bus companies were not accountable to them, and that they had no real redress for harms experienced. They said bus operators are accountable to their shareholders and not to the people who actually depend on the service and pay the bus fares. Where monopolies exist on particular routes, they had no choice but to continue using the only service available. Because bus companies aren't accountable to local councils, residents are not able to turn to local government or elected representatives to address problems with public transportation and are instead forced to deal with unaccountable private companies. Those who did complain to bus operators said that they did not hear back or were provided no redress.

While the 2021 national bus strategy for England called for a passengers' charter giving bus users rights to "certain standards of service" and "mechanisms for redress at a local level," it's unclear how such measures could be enforced under the current system where bus companies are not politically accountable.¹⁶³

¹⁵⁶ Lucas et al., *Inequalities in Mobility and Access*, 14.

¹⁵⁷ Social Exclusion Unit, *Making the Connections*, 16.

¹⁵⁸ Poverty and Inequality Commission, *Transport and Poverty in Scotland*, 10; All Party Parliamentary Group on Poverty, *Report of the APPG on Poverty: Inquiry into the poverty premium*, November 2019, 2-5, <http://www.appgpoverty.org.uk/wp-content/uploads/2019/11/APPG-on-Poverty-Poverty-Premium-report-FINAL-cover.pdf>.

¹⁵⁹ Department of Transport, *Buses*, 1984, 25.

¹⁶⁰ Taylor and Sloman, *Building a World-class Bus System*, 11.

¹⁶¹ National Audit Office, *Improving Local Bus Services*, 10, 46.

¹⁶² *Ibid.*, 10.

¹⁶³ Department for Transport, *Bus Back Better*, 64.

5. THE WAY FORWARD

Decades of transportation research has found that people will use a bus when it is affordable, frequent, reliable, and reasonably fast compared with the alternatives.¹⁶⁴ Unfortunately, privatization and deregulation of the bus industry has provided a 35-year master class in how not to run a bus service. It provides bad value for the public, does not work for far too many people, and has had severe impacts on people's lives and human rights.

None of this is inevitable. The United Kingdom is one of the richest countries in the world, and can afford a world class bus service should it choose to prioritize and fund it. Many passengers remember a better service in their lifetime, and said they would use the bus more if it worked for them.¹⁶⁵ And a number of cities and countries around the world have demonstrated better approaches to running a bus service, though almost all of them involve some form of public control or ownership.¹⁶⁶ Transportation experts stressed that some form of central organization and control, or a "guiding mind"¹⁶⁷ is necessary to ensure a well-functioning integrated network with comprehensive coverage.¹⁶⁸

A Better Service

The failures of the deregulated approach are increasingly recognized, and even the government has acknowledged that in the wake of the pandemic, services cannot be run on a purely commercial basis without abandoning entire communities.¹⁶⁹ But its 2021 bus strategy for England doubles down on the role of private companies to deliver a public service, without addressing the reasons they have failed in the past or meaningfully expanding options for public ownership and control.¹⁷⁰

The proposed reforms do little more than tinker with the existing system. The strategy does not commit the government to legalizing new municipal bus companies or removing the severe barriers to achieving bus regulation that local authorities face. It does not address power imbalances between local transportation authorities and bus operators. And it does not impose an obligation on local authorities to provide a minimal service, leaving the core of the deregulated system fully in place.

A much more decisive change is needed. The COVID-19 pandemic has left bus operators even more dependent on costly public support.¹⁷¹ Local authority budgets are under enormous strain.¹⁷² And virtually all metrics under the current system—cost, ridership, and coverage—are pointing in the wrong direction. This section details some of the tools that can fundamentally improve the way bus services are delivered.

¹⁶⁴ Higashide, *Better Buses*, 10; House of Commons Transport Committee, *Bus Services in England Outside London*, 27.

¹⁶⁵ See National Audit Office, *Improving Local Bus Services*, 16.

¹⁶⁶ CPRE, *Every Village, Every Hour*, 13-15, 18.

¹⁶⁷ Interview with transport expert, April 19, 2021.

¹⁶⁸ Mattioli et al., "The Political Economy of Car Dependence," 9; Taylor and Sloman, *Building a World-class Bus System*.

¹⁶⁹ Department for Transport, *Bus Back Better*, 8.

¹⁷⁰ *Ibid.*, 10.

¹⁷¹ *Ibid.*, 78.

¹⁷² Urban Transport Group, *Supporting Bus Services in the COVID-19 Recovery*, 3.

Regulation

Various forms of regulation, often referred to as franchising in the United Kingdom, can deliver a cohesive bus system built around what passengers need, irrespective of commercial viability. It allows an authority to take public control of the bus network, deciding where and when buses operate, how passengers pay for them, and what service and quality standards apply.¹⁷³

Transport for Quality of Life estimates that regulating bus services throughout Britain could generate financial gains of £340 million per year from retained profits, increases in patronage and revenue from a unified system, and service efficiencies.¹⁷⁴

The bus system in London illustrates what a regulated system can achieve. Transport for London controls fares, routes, frequency, and minimum standards,¹⁷⁵ and has invested in smart multi-modal ticketing, and thousands of green vehicles.¹⁷⁶ The transport body puts out individual routes for competitive tender, collects all ticket revenue, and delivers a high quality, integrated, and easy to use network.¹⁷⁷

Franchising is now permitted in England outside of London under the Bus Services Act of 2017¹⁷⁸ and in Scotland under the 2019 Transport Act.¹⁷⁹ The government in its 2021 national bus strategy for England committed to supporting any local transport authority wishing to access franchise powers “which has the capability and intention to use them at pace to deliver improvements for passengers.”¹⁸⁰ However, significant barriers remain in place.

Transportation experts stressed that the process for taking public control of buses remains complex and difficult, presenting significant barriers that authorities must navigate on their own. Unsurprisingly, none have yet succeeded in doing so.¹⁸¹ In England, only certain (mayoral combined) authorities and Cornwall have an automatic right to franchise bus services—all others must apply to the Secretary of State for permission.¹⁸² The initial one-off costs to prepare contracts and purchase depots are sizable,¹⁸³ and many authorities don’t have the necessary expertise, and need to bring in external resources.¹⁸⁴ They also face lawsuits¹⁸⁵ and aggressive campaigns from private operators.¹⁸⁶

A number of authorities are nevertheless moving toward franchising. Greater

¹⁷³ National Audit Office, *Improving Local Bus Services*, 44; South Yorkshire Bus Review, *Establishing a World Class Bus System*, 27, 109; Urban Transport Group, *Bus Policy*, November 2020, 4, <https://www.urbantransportgroup.org/system/files/general-docs/Bus%20Policy%20Version%202020%20%281%29.pdf>.

¹⁷⁴ Taylor and Sloman, *Building a World-class Bus System*, 13.

¹⁷⁵ House of Commons Transport Committee, *Bus Services in England Outside London*, 15.

¹⁷⁶ Urban Transport Group, *Bus Policy*, 3.

¹⁷⁷ South Yorkshire Bus Review, *Establishing a World Class Bus System*, 112.

¹⁷⁸ Bus Services Act 2017, c. 21 (Eng.), sec. 4.

¹⁷⁹ Transport (Scotland) Act 2019, asp. 17, sec. 38.

¹⁸⁰ Department for Transport, *Bus Back Better*, 10.

¹⁸¹ Interview with transport expert, April 19, 2021.

¹⁸² House of Commons Transport Committee, *Bus Services in England Outside London*, 16.

¹⁸³ Edward Leigh, “To Franchise or to Partner? That is the Question,” *Local Transport Today*, August 2, 2019.

¹⁸⁴ Interview with transport advocates, January 21, 2021.

¹⁸⁵ Niall Griffiths, “‘Unlawful’ Process Behind Greater Manchester’s Bus Franchising Plans, Court Hears,” *Manchester Evening News*, May 26, 2021, <https://www.manchestereveningnews.co.uk/news/greater-manchester-news/unlawful-process-behind-greater-manchesters-20685746>; Interview with transport advocates, January 21, 2021.

¹⁸⁶ Interview with transport advocates, January 21, 2021; interview with transport advocate, January 27, 2021; interview with local government official, March 19, 2021.

Manchester announced in March 2021 its intention to regulate its buses.¹⁸⁷ Its assessment found that the current system is plagued by more than 150 types of tickets, buses that are not integrated with the other modes of transportation, and rapidly declining use. It determined that a franchising scheme could allow for significant improvements, including ticketing and network integration, control, and accountability, as well as £345 million in direct economic benefits and £208 million in wider economic benefits—roughly triple that of the operator proposed partnership.¹⁸⁸

The current requirements effectively preclude most authorities from taking public control of their buses. A new approach is required to ensure that bus regulation becomes not just feasible, but the norm. This should include a clear statement of support for franchising, funding conditioned on this shift, a more simplified franchising process that removes the current barriers and unnecessary bureaucracy, and government teams with the expertise and resources to support local transport authorities, achieve economies of scale, and address legal challenges from commercial vested interests. It will also require greater human and financial resources for local authorities. The UK government should support Greater Manchester’s transition in order to establish a model that other authorities can follow.

Unions should be actively involved in the franchising process, and worker protections should be embedded as a set of minimum conditions in the tendering rules for all contracts to prevent a race to the bottom and ensure workers are not displaced.

Public Ownership

When the UK government privatized buses, it argued that public sector ownership was an obstacle to providing for community needs.¹⁸⁹ However, the hallmarks of public ownership, including control, profit retention, and accountability, makes it precisely well-suited for operating a strong service. Public bus services are common around the world, but their creation was banned by the Transport Act of 1985.¹⁹⁰ The 2019 Transport Act of Scotland permits the provision of bus services by local transport authorities under certain conditions, but no authority has yet made use of these powers.¹⁹¹ Although the issue remains somewhat of a political taboo, it is far past time to lift current restrictions and revisit the potential of publicly owned bus companies.

There is strong evidence that public ownership can dramatically improve service. It would allow local authorities to benefit from area-wide fares, coordinated schedules, reliable service, quality vehicles, and good jobs.¹⁹² And it can provide greater flexibility in a period of rapid change spurred by COVID-19 and climate change.¹⁹³ Transport for Quality of Life estimates that municipal operation of Bus services in Britain, outside London,

¹⁸⁷ Niall Griffiths and Benjamin Blossie, “Greater Manchester Takes Control of its Buses in Historic Move After Andy Burnham Green Light,” *Manchester Evening News*, March 25, 2021, <https://www.manchestereveningnews.co.uk/news/greater-manchester-news/live-andy-burnham-announces-decision-20254276>.

¹⁸⁸ Greater Manchester Combined Authority, *Have Your Say on How Your Buses Are Run: Consultation Document*, 10-13, 20, 26, <https://greatermanchester-ca.gov.uk/media/2451/greater-manchester-bus-franchising-consultation-document.pdf>.

¹⁸⁹ Department of Transport, *Buses*, 1984, 16.

¹⁹⁰ Transport Act 1985, c. 67. More recently, the Bus Services Act of 2017 prohibits authorities in England from forming a company “for the purpose of providing a local service.” Bus Services Act 2017, c. 21 (Eng.) sec. 22(1).

¹⁹¹ Transport (Scotland) Act 2019, asp. 17, sec. 34.

¹⁹² Taylor and Sloman, *Building a World-class Bus System*, 11.

¹⁹³ Transport expert, email correspondence to author, June 16, 2021.

could generate £506 million per year from reinvesting profits, cross subsidizing, revenue increases, and additional efficiencies.¹⁹⁴

Public ownership has a proven track record. It is the norm in cities across Europe,¹⁹⁵ and France has seen a strong trend back toward municipal ownership with cities shifting from franchising to public operation in order to cut costs by eliminating private profit margins.¹⁹⁶ Within the United Kingdom, a small number of municipally owned bus operators have performed remarkably well, albeit functioning as private companies without the benefit of a public monopoly.¹⁹⁷ They generally don't pay out a dividend to their owners and reinvest profits into improving the actual service.¹⁹⁸

For example, Reading Buses, owned by Reading Borough Council, is able to reinvest some £3 million per year into the network—about 12-15 percent of annual turnover.¹⁹⁹ It has one of the newest and most environmentally friendly fleets in the United Kingdom, boasts extremely high passenger satisfaction scores, and has some of the highest bus use in England, with a year-on-year rising trend.²⁰⁰ Similarly, municipal ownership allowed Nottingham City Council to integrate its transport, planning, and parking policies.²⁰¹ It boasts triple the average bus journeys per person per year outside London, and passenger journeys have grown recently. And in Belfast, Translink, an arm's length operator funded by the Department for Infrastructure, introduced the "Glider" in 2018, a rapid transit bus-style service which exceeded its 10-year annual demand projections in its first year.²⁰²

The UK and Welsh governments should permit, actively encourage, and provide political and financial backing for the creation of new publicly owned municipal bus operators. The House of Commons Transport Committee has already called for all local transport authorities to have the option of creating a municipal bus company²⁰³ and the government's 2021 national bus strategy for England found the ban was "ripe for review."²⁰⁴ Maintaining a ban on new public bus companies only entrenches the current dysfunctional system, protects corporate profits, and denies local authorities a powerful tool for creating a better bus service.

Partnerships

While voluntary partnerships between local transport authorities and bus operators are often pitched as a possible reform, they have failed to remedy the underlying dynamics and deficiencies of the deregulated system. They are not a substitute for publicly owned or controlled transportation and do not deliver the same range of benefits. Successive UK governments have introduced various forms of bus partnerships over the years, with the

¹⁹⁴ Taylor and Sloman, *Building a World-class Bus System*, 16.

¹⁹⁵ *Ibid.*, 7-8; South Yorkshire Bus Review, *Establishing a World Class Bus System*, 72.

¹⁹⁶ Taylor and Sloman, *Building a World-class Bus System*, 7-8.

¹⁹⁷ House of Commons Transport Committee, *Bus Services in England Outside London*, 15.

¹⁹⁸ Taylor and Sloman, *Building a World-class Bus System*, 7.

¹⁹⁹ *Ibid.*

²⁰⁰ Department for Transport, *Bus Back Better*, 49.

²⁰¹ South Yorkshire Bus Review, *Establishing a World Class Bus System*, 117. Nottingham City Transport is an award-winning former municipal bus operator, now a private company owned primarily by Nottingham City Council. National Audit Office, *Improving Local Bus Services*, 65.

²⁰² National Audit Office, *Improving Local Bus Services*, 69.

²⁰³ House of Commons Transport Committee, *Bus Services in England Outside London*, 6.

²⁰⁴ Department for Transport, *Bus Back Better*, 50.

goal of encouraging cooperation.²⁰⁵ The 2021 bus strategy for England is heavily focused on incentivizing partnerships²⁰⁶ and Scotland has created a Bus Partnership Fund to “develop and deliver ambitious schemes that incorporate bus priority measures.”²⁰⁷

Private operators and some transport advocates argue that most benefits of regulation can be achieved through partnerships more quickly and without the extra cost to the public.²⁰⁸ And they have undoubtedly led to some tangible benefits.²⁰⁹ However, partnership arrangements leave decisions about the network, fares, and standards primarily to commercial operators, and have not delivered the same benefits as regulated systems.²¹⁰ Transport experts noted that partnerships do not allow for full control and organization of the bus network²¹¹ and do not provide the centralized control required to deliver an integrated transport service. They are voluntary by nature, lack accountability, and have a history of poor performance.²¹² A detailed 2020 review of the bus system in South Yorkshire found that bus partnerships had come up short, resulted in drastic cuts, and involved breaches of agreements that went unpunished.²¹³

Partnerships leave crucial power in the hands of commercial bus operators, particularly at the point of renewal or when significant changes to the scheme occur. They do not correct the fundamental misalignment between commercial objectives and the best outcome for the public. It is time partnerships are recognized as a tried-and-failed approach that should be retired in favor of actual regulation of public transport.

Where partnerships are in place, they should not become a barrier to authorities taking public control or ownership. However, the “spirit of partnership” that recognizes the expertise and dedication of professionals in the bus industry should be reflected within a future regulated system.

²⁰⁵ Including the 2000 Transport Act, Local Transport Act of 2008, and 2017 Bus Services Act. National Audit Office, *Improving Local Bus Services*, 44; House of Commons Transport Committee, *Bus Services in England Outside London*, 15.

²⁰⁶ Department for Transport, *Bus Back Better*, 13.

²⁰⁷ “Bus Partnership Fund,” Transport Scotland, accessed June 17, 2021, <https://www.transport.gov.scot/public-transport/buses/bus-partnership-fund>.

²⁰⁸ Leigh, “To Franchise or to Partner?”

²⁰⁹ See Department for Transport, *Bus Back Better*, 23.

²¹⁰ Greater Manchester, *Have Your Say*, 25.

²¹¹ Interview with transport expert, April 19, 2021.

²¹² Taylor and Sloman, *Building a World-class Bus System*, 9; interview with transport expert, April 19, 2021.

²¹³ South Yorkshire Bus Review, *Establishing a World Class Bus System*, 110, 112, 81.

6. A RIGHT TO PUBLIC TRANSPORT?

The United Kingdom has international human rights obligations directly related to transportation. Physical accessibility is an essential or implied component of many social rights, including the rights to food, education, health, work, and social security.²¹⁴ For many in the country, their ability to exercise these rights is directly contingent on access to a reliable and affordable bus service. The right to vote, the right to take part in public affairs, key aspects of the right to freedom of religion, the right to assembly and many other civil and political rights are heavily dependent on the right to freedom of movement being made a reality and not held hostage by unaffordable fares and inadequate services.²¹⁵

The International Covenant on Economic, Social and Cultural Rights, which the United Kingdom ratified in 1976, obligates the government to promote realization of the rights to work, healthcare, education, social security, food, and an adequate standard of living.²¹⁶ In its General Comment 14 on the right to the highest attainable standard of health, the UN Committee on Economic, Social, and Cultural Rights, which authoritatively interprets the Covenant, found that “health facilities, [and relevant] goods and services must be within safe physical reach for all sections of the population, especially vulnerable or marginalized groups.”²¹⁷ Similarly, on the right to social security, beneficiaries “should have physical access to the social security services in order to access benefits and information.”²¹⁸ The Committee has expressed concerns regarding transport that is unequal, expensive, and inadequate, for example regarding its impact on the rights to education and an adequate standard of living, and has stressed the role of transportation in accessing health services.²¹⁹

Other treaties to which the United Kingdom is a State Party present additional transportation obligations. The Convention on the Rights of Persons with Disabilities, which the United Kingdom ratified in 2009, requires State Parties to take appropriate measures to ensure that persons with disabilities have access to transportation on an

²¹⁴ UN Committee on Economic, Social and Cultural Rights, General Comment No. 12, The right to adequate food, E/C.12/1999/5, paras. 8, 13 (May 12, 1999), <https://undocs.org/E/C.12/1999/5>; UN Committee on Economic, Social and Cultural Rights, General Comment No. 13, The right to education, E/C.12/1999/10, para. 6 (December 8, 1999), <https://www.undocs.org/E/C.12/1999/10>; UN Committee on Economic, Social and Cultural Rights, General Comment No. 14, The right to the highest attainable standard of health, E/C.12/2000/4, para. 12 (August 11, 2000), <https://undocs.org/E/C.12/2000/4>; UN Committee on Economic, Social and Cultural Rights, General Comment No. 18, The right to work, E/C.12/GC/18, para. 12 (February 6, 2006), <https://undocs.org/E/C.12/GC/18>; UN Committee on Economic, Social and Cultural Rights, General Comment No. 19, The right to social security, E/C.12/GC/19, paras. 10, 27 (February 4, 2008), <https://undocs.org/E/C.12/GC/19>.

²¹⁵ International Covenant on Civil and Political Rights, opened for signature December 16, 1966, (ratified by the United Kingdom on May 20, 1976), 999 U.N.T.S. 171, arts. 25, 26, 21.

²¹⁶ International Covenant on Economic, Social and Cultural Rights, opened for signature December 16, 1966, (entered into force January 3, 1976), 993 U.N.T.S. 3, arts. 6, 12, 13, 9, 11.

²¹⁷ E/C.12/2000/4, para. 12(b)(ii).

²¹⁸ E/C.12/GC/19, para. 27.

²¹⁹ UN Committee on Economic, Social and Cultural Rights, Concluding Observations on the Third Periodic Report of Ireland, E/C.12/IRL/CO/3, para. 31 (July 8, 2015), <https://undocs.org/E/C.12/IRL/CO/3>; UN Committee on Economic, Social and Cultural Rights, Concluding Observations on the Fifth Periodic Report of Sri Lanka, E/C.12/LKA/CO/5, para. 63 (August 4, 2017), <https://undocs.org/E/C.12/LKA/CO/5>; UN Committee on Economic, Social and Cultural Rights, Concluding Observations on the Fourth Periodic Report of Argentina, E/C.12/ARG/CO/4, para. 43 (November 1, 2018), <https://undocs.org/E/C.12/ARG/CO/4>; UN Committee on Economic, Social and Cultural Rights, Concluding Observations on the Initial Report of Cabo Verde, E/C.12/CPV/CO/1, paras. 58, 62-63 (November 27, 2018), <https://undocs.org/E/C.12/CPV/CO/1>; UN Committee on Economic, Social and Cultural Rights, Concluding Observations on Sixth Periodic Report of Denmark, E/C.12/DNK/CO/6, para. 26 (November 12, 2019), <https://undocs.org/E/C.12/DNK/CO/6>.

equal basis with others.²²⁰ The Convention on the Elimination of All Forms of Discrimination against Women, which the United Kingdom ratified in 1986, requires State Parties to take appropriate measures to ensure the right of women in rural areas to enjoy adequate living conditions, including in relation to transport.²²¹

There is currently no right to a minimum level of public transportation set out in UK law or policy.²²² And public transportation is not traditionally regarded as a right in and of itself. Yet it is abundantly clear that lack of transportation has severe impacts on people's ability to live a decent and fulfilling life, including their access to work, education, healthcare, and food. Older people, those in poverty, people with disabilities, and those in rural areas are particularly affected, but the entire community is worse off as a result of failing transport systems. Public transportation is how many States effectively guarantee access to human rights. Given the essential role of transportation in securing a broad range of rights—civil and political, as well as economic, social, and cultural—it should be viewed not only as an indispensable means for realizing rights but perhaps also as a right in itself.²²³

The privatization of public transportation raises significant human rights concerns. There is a strong case to be made that human rights law requires States to directly provide public services or ensure the provision of public services by a public body where the service is essential for realizing one's rights—and that increased privatization of rights-related services undermines human rights.²²⁴ The UN Special Rapporteur on extreme poverty and human rights heard evidence on the impact of bus privatization during his 2018 visit to the United Kingdom, and found that “abandoning people to the private market in relation to services that affect every dimension of their basic well-being, without guaranteeing their access to minimum standards, is incompatible with human rights requirements.”²²⁵

A number of UK experts have called for a rights-based approach to transportation. CPRE, the countryside charity, has called for England to recognize and fund “a universal basic right to public transport, backed up with guaranteed service frequency standards.”²²⁶ Karen Lucas, an expert on transportation and social justice at the University of Manchester, has called for metrics that “establish the minimum level and standards of public transport which are necessary for social inclusion.”²²⁷

Almost everyone interviewed for this report said they thought of public transportation as a right, and a number of passengers said they found the current discretionary provision of bus service deeply inequitable and unfair. Sam, 34, in Hartlepool, said:

²²⁰ Convention on the Rights of Persons with Disabilities, opened for signature March 30, 2007, (ratified by the United Kingdom June 8, 2009), 2515 U.N.T.S. 3, art. 9. Scotland is in the process of incorporating both the International Covenant on Economic, Social and Cultural Rights and the Convention on the Rights of Persons with Disabilities into Scots Law under the Human Rights Bill. “New Human Rights Bill,” Scottish Government, last modified March 12, 2021, <https://www.gov.scot/news/new-human-rights-bill>.

²²¹ Convention on the Elimination of All Forms of Discrimination against Women, opened for signature March 1, 1980, (ratified by the United Kingdom April 7, 1986), 1249 U.N.T.S. 13, art. 14.

²²² Department for Transport, *Bus Back Better*, 47.

²²³ See Thomas Coggin and Marius Pieterse, “A Right to Transport? Moving Towards a Rights-Based Approach to Mobility in the City,” *South African Journal on Human Rights* 31, no. 2 (2015), <https://doi.org/10.1080/19962126.2015.11865248>.

²²⁴ The Global Initiative for Economic, Social and Cultural Rights, *States' Human Rights Obligations Regarding Public Services: The United Nations Normative Framework*, October 2020, 2, 5, <https://www.gi-escr.org/public-services-obligations>.

²²⁵ Philip Alston (Special Rapporteur on extreme poverty and human rights), *Visit to the United Kingdom of Great Britain and Northern Ireland*, A/HRC/41/39/Add.1, para. 45 (April 23, 2019).

²²⁶ CPRE, *Every Village, Every Hour*, 4.

²²⁷ Karen Lucas, “Transport and Social Exclusion: Where are we now?,” *Transport Policy* 20 (March 2012): 112, <https://www.sciencedirect.com/science/article/pii/S0967070X12000145>.

It just needs to be fairer. Newcastle and London get the services, the train lines. Places like this are forgotten, no one speaks for them, nobody gets a say, you just have to put up and shut up. It's unfair when you hear about other places with new buses and new things going on, and we are left out. It feels like we are stuck behind everyone else, we're always left behind.²²⁸

Parliament should legislate minimum standards of transportation that UK residents can depend upon, instead of leaving it up to the vagaries and predations of the market. And it should consider expanding concessionary travel. It is clear that running a bus service premised essentially on profit and market competition, rather than on the well-being of the public, leads to violations of people's rights and is incompatible with human rights law. Transportation is essential to lives and livelihoods, and cannot be left dependent on the whims of the private market.

²²⁸ Interview with Sam, 34, Hartlepool, March 19, 2021.

7. RECOMMENDATIONS

The United Kingdom and devolved governments should:

- **Embrace public control of bus transport:** The notion that public transport provision can be left to the private market should be explicitly rejected. Public control of bus transport should be the default system, barriers to franchising and unnecessary bureaucracy should be eliminated, and new municipal bus companies should be expressly permitted. Voluntary partnerships should be phased out in favor of public control and ownership, and public funding conditioned on that shift. Where private companies operate buses under franchising arrangements, conditions should be imposed that acknowledge the public nature of the service, including a dividend cap, transparency measures, and social responsibilities.
- **Guarantee access to public transport:** The social, economic, and environmental necessity of a strong, integrated bus system should be recognized, and the national and devolved governments should take responsibility for its development. A statutory minimum level of service and frequency should be legislatively required, with necessary funding allocated. Proposed cuts to bus routes should require full public consultation, and all cuts should be tracked, publicized, and re-assessed regularly. The 2010 Equality Act's socio-economic duty should be implemented with regard to the bus sector.
- **Support local authorities:** Local transport authorities should be provided with sufficient, stable, and long-term funding for the provision of public bus services that meet the social and economic needs of residents. Financial and political support should be offered to those pursuing public ownership or control, and government teams should be created with the expertise and resources to support those efforts, achieve economies of scale, and address legal challenges from commercial vested interests.
- **Ensure affordability:** Concessionary bus travel should be available to those on government benefits, asylum seekers, and those aged 60 and older. Fares should be regulated and governments should ensure equality in transport benefits across the country, and consider concessionary travel for younger people in particular need.
- **Combat climate change with a strong bus system:** Buses should provide a viable and attractive alternative to more emissions-intensive forms of travel and the system should be designed to make the strongest possible contribution to meeting the United Kingdom's climate change targets and international climate agreements.

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This report was researched and written by Bassam Khawaja and Rebecca Riddell, co-directors of the Human Rights and Privatization Project at New York University School of Law's Center for Human Rights and Global Justice, and Philip Alston, Faculty Director of the Center for Human Rights and Global Justice. It was designed and prepared for publication by Nou Moua, Director of Strategic Initiatives and Outreach. Lauren Stackpoole, Director of Operations and Academic Programs, provided additional support and assistance. David Hamer, Samantha Mehring, Marissa O'Toole, and Ryan Woods, Human Rights Scholars at the Center, also contributed to the report.

ANNEX I: RESPONSE FROM GO-AHEAD

June 10, 2021

Dear Bassam,

Thank you for your email to Go Ahead who have passed it onto CPT who are the voice of the bus and coach industry in the UK.

Some of the information you are looking for is publicly available in government publications which I have included links to below.

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/929992/annual-bus-statistics-year-ending-march-2020.pdf

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/906276/national-travel-survey-2019.pdf

During the last year the funding operators have received from government has been crucial in keeping bus services running as passengers numbers have been significantly reduced because of the pandemic. This investment in bus services reflects the recognition for the crucial role they play in moving people from A to B with pre pandemic over 5 million journeys a day made by bus.

Operators will always do everything they can to avoid cutting services including working with local authorities and other stakeholders. It is often the case that when a bus route is withdrawn this is because funding has been withdrawn by the local authority who has contracted an operator to run the service.

In terms of bus reliability congestion plays the biggest role with buses being stuck in traffic meaning they fall behind their planned running which is frustrating for operators and passengers and increases the costs of running bus networks. The best way to resolve this issue is to put the bus first in road networks across the country making journeys more reliable and therefore encouraging more people to use the bus. As we make journeys more reliable operators' costs will decrease as networks can run more efficiently and the industry is committed to reinvesting these savings in the bus network to deliver improvements for passengers. The industry is also working on initiatives to deliver smart multi operator price capped ticketing to help give passengers the most affordable fare options.

I hope this information is useful.

Kind regards,

Tom

Tom Bartošák-Harlow
Head of External Relations, CPT UK

ANNEX II: RESPONSE FROM TRANSPORT SCOTLAND

Bus, Accessibility and Active Travel Transport Scotland
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Your ref:
Bus services in Scotland

Our ref:
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Date:
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Dear Sirs,

I have been asked to respond to your letter of 8 June to the Cabinet Secretary for Net Zero, Energy and Transport, Mr. Michael Matheson. I apologise for the delay in doing so.

Your letter asked a number of questions regarding the impacts in Scotland of the mid 1980s deregulation of bus services. Responses to these are below.

Does Transport Scotland have a response to the preliminary findings of our research?

The National Transport Strategy (NTS2), published in February 2020 (<http://www.transport.gov.scot/media/47052/national-transport-strategy.pdf>) recognises the key role transport plays in enabling people to realise their human rights. It is an essential requirement in supporting people to realise other human rights such as the right to education, the right to work, the right to take part in cultural and public life, and the right to an adequate standard of living and the right to the highest attainable standard of physical and mental health. The Strategy also sets out the impact transport has in helping people across Scotland transcend poverty and access opportunities. Our vision for transport in Scotland will help households access employment, training and education—supporting an increase in earned incomes—and by ensuring transport is affordable, we can help to reduce overall household costs.

In December 2020 we set out our strategic policies in the first NTS2 Delivery Plan. The strategic policies detailed within the plan relating to reducing inequalities include:

- Ensuring active, public and sustainable travel access to employment, education and training locations Ensuring transport in Scotland is accessible for all
- Removing barriers to public transport connectivity and accessibility within Scotland
- Minimising the connectivity and cost disadvantages faced by island communities and those in remote rural and rural areas, including safeguarding of lifeline services
- Improving sustainable access to healthcare facilities for staff, patients and visitors

We know that the economic impact of the COVID-19 pandemic has been unequal, entrenching existing inequalities and widening others. The groups most likely to be affected by the expected rise in poverty include young people, women, and disabled people, who

are already closest to the poverty line. The withdrawal of various support schemes is likely to trigger further increases in hardship. When living on a low income, transport is a vital part of life. Transport is required for day-to-day engagement with services and support networks including accessing healthcare, education, childcare, caring responsibilities, employment, shopping, engaging in leisure activities and many other key areas. Transport can either alleviate or exacerbate poverty depending on a household's circumstances.

We are continuing to take ambitious action to tackle transport affordability, as demonstrated by the commitment to free bus travel for under 22s. This concessionary travel scheme is expected to reduce household outgoings and support young people accessing employment, education and training. This will also provide a useful evidence base to review take up and demand of free public transport (particularly following a period of generally low use due to the pandemic) and may encourage operators to introduce alternative routes, timings and services.

For the most recent year available, what is the total amount of funding going to subsidize bus services in Scotland? And in 2009/10?

Central and local government payments to operators of bus services in Scotland consist of Bus Service Operators Grant (BSOG), concessionary travel reimbursement and payments for supported services. The first two are made by Transport Scotland, an agency of the Scottish Government. Concessionary travel reimbursement is remuneration for an obligation that results in lost fares income and increased costs and is not strictly a subsidy to operators. Supported services are funded by local transport authorities (LTAs). Data on government support is in Table 2.9 of Scottish Transport Statistics (<https://www.transport.gov.scot/media/49874/scottish-transport-statistics-2020-may-2021.pdf>).

In 2019-20, £326 million was provided in total, £215 million as reimbursement for concessionary bus travel, £53 million as BSOG and £57 million by LTAs for supported services. The corresponding figures for 2009-10 were £312 million, comprising £187 million on concessions, £64 million as BSOG and £62 million for supported services.

For the most recent year available, what is the total annual subsidy paid out to bus operators in Scotland for running local transport authority supported routes? And in 2009/2010?

See above. £57 million in 2019-20 and £62 million in 2009-10. BSOG will also have been paid in respect of these services, as it is for commercial services, broadly pro rata with their share of total mileage.

To date, what has been the total amount in additional financial support to bus operators due to the COVID-19 pandemic?

We are maintaining concessionary travel reimbursement and Bus Service Operator Grant payments at pre COVID-19 levels, where we would normally spend over £260 million per annum. We are providing bus operators with additional financial assistance to support essential travel, to deal with returning demand for bus services and to support physical distancing on bus journeys. This funding fills the gap between additional costs of operating services due to Covid-19 and severely reduced ticket income due to reduced demand and

capacity constraints. Up to £191.3 million was made available in 2020-21 (22 June 2020 -31 March 2021) and up to £96.8 million in 2021-22. This funding is subject to regular reconciliation to ensure we are not over or under paying operators. Actual spend in 2020-21 is forecast at £119.5 million.

For the most recent year available, what is the total local authority subsidized bus mileage in Scotland? And in 2009/2010?

This figure is published in Scottish Transport Statistics, Table 2.3a. In 2019-20, 75 million vehicle kilometres were supported by local transport authorities. In 2009-10, the figure was 74 million vehicle kilometres.

Does Transport Scotland track the total number of bus routes that have been fully and partially cut in the past decade, and if so, what is the number?

Does Transport Scotland track the total number of bus routes that have been added or expanded in the past decade, and if so, what is the number?

In Scotland as in England outside London, the Office of the Traffic Commissioner is responsible for local bus service registrations and therefore holds data on bus routes. There are a number of reasons, which I understand the UK Department for Transport have outlined in their response to your enquiries, why it is not practicable to provide figures for numbers of routes so as to answer these questions.

What has been the total change in the average bus fare since deregulation?

The local bus fares index for Scotland (BUS0405, <https://www.gov.uk/government/statistical-data-sets/bus04-costs-fares-and-revenue>) goes back to 1995 and shows an increase of 159.4% between 1995 and 2021. Once adjusted for inflation, this is an increase of 58.1%.

What has been the total change in bus ridership since deregulation?

According to DfT statistics (www.gov.uk/government/statistical-data-sets/bus04-costs-fares-and-revenue), there were 644 million passenger journeys by bus in Scotland in 1986-87, the year in which deregulation occurred, and 366 million in 2019-20, a reduction of 43% over 33 years. (In 1975, by comparison, there had been 891 million journeys.)

Does Transport Scotland measure bus reliability, and if so, what has been the total change in this metric since deregulation?

We do not measure bus reliability. The Office of the Traffic Commissioner has powers to call operators to account for failing to operate services as registered, including in compliance with timetables.

What accountability measures are in place for those whose rights are affected by bus service?

Legislation covering the rights of passengers on bus and coach journeys in the United Kingdom is contained in Regulation (EU) No 181/2011 of the European Parliament and of the Council as retained in UK law.

Passengers affected by how a service is provided can complain to the operator. If the operator is unable to resolve a complaint satisfactorily, passengers can contact Bus Users Scotland to see if they can help.

What measures, if any, does Transport Scotland take to ensure that local bus transportation is affordable for people, especially for low-income bus users?

Bus Service Operators Grant aims to benefit passengers by helping operators to keep fares down and enabling operators to run services that might otherwise be unprofitable.

Older people (over 60) and eligible disabled people are entitled to free bus travel throughout Scotland under the National

Concessionary Travel Scheme for Older and Disabled Persons. We are in the process of implementing a new national scheme for young people (5-21), which will provide them with free bus travel too. This will replace the current young persons' scheme, which provides 1/3 discounts for 16-18 year olds. (Children under 5 generally travel for free and 5-15 year olds at substantially discounted child rates.)

What measures, if any, does Transport Scotland take to ensure that local bus transportation is accessible and sufficient for people's needs, including seeking education, work, and healthcare?

The availability of local bus services is primarily the responsibility of local transport authorities, which have powers to secure socially necessary services which are not otherwise being provided.

Does Transport Scotland collect any information on how the quality of bus service varies by geographic area (for example, by region or local authority), ethnicity, or socioeconomic status?

Transport Focus undertake periodic surveys of bus passenger satisfaction. Their 2018 survey can be found here: Bus Passenger Survey - Autumn 2018 report - Transport Focus (The 2019 survey did not cover Scotland).

Has Transport Scotland conducted any assessment of the impact of changes to bus service since deregulation, particularly for vulnerable populations?

Although not so much about changes since the mid 1980s as the current position, lived experience research into transport and child poverty was commissioned by Transport Scotland and undertaken by the Poverty Alliance through late 2020. Its findings were reported on 10 June 2021 at www.povertyalliance.org/wp-content/uploads/2021/06/Transport-and-Child-Poverty-Beyond-the-Pandemic.pdf.

The research found that transport is an essential part of the lives of low-income families and is critical in terms of shaping their experience of poverty. It also found that transport has the potential to exacerbate the existing hardships families were facing as well as being a tool to draw upon as a way of alleviating poverty, for example through accessing employment or education. The research furthers our understanding on how the availability and affordability of public transport impacts families and contributes to the hardships

faced by families living in poverty and will be used to support our evidence based approach to policy making.

What steps is Transport Scotland taking to ensure that voluntary partnerships between operators and local transport authorities are complied with? What action has Transport Scotland taken when they are not carried out?

Voluntary partnerships are a matter for the local transport authorities and operators concerned. These do not include a legal process or make a clear commitment on either party to deliver, or sanction, in the event that they fail to do so. Transport Scotland has no remit to intervene in voluntary partnership arrangements.

There is a statutory partnership framework introduced by the Transport (Scotland) Act 2001 in the form of statutory Quality Partnerships (sQPs). A sQP scheme allows a transport authority to determine appropriate local quality standards via a formal and legal partnership. In turn the transport authority can commit to infrastructure improvements. A sQP has a legal basis which gives it an advantage over voluntary arrangements and should give operators the confidence to invest. However, the existing sQPs are not as flexible as they could be and they are led by the transport authority rather than as a true partnership where a shared understanding of the current and future needs for bus services is developed with operators.

To address this, the Transport (Scotland) Act 2019 introduced a new partnership model through Bus Service Improvement Partnerships (BSIPs) which can set out statutory service standards and a commitment from both local transport authorities and operators. Transport Scotland has no remit to intervene but the Traffic Commissioner can do so if service standards are not complied with. It should be noted that the regulations enabling the implementation of BSIPs are still in development and will be informed by a consultation running between 14 July and 6 October 2021.

What steps is Transport Scotland taking to ease the process for local transport authorities to pursue franchising, and what support is extended in this respect?

The franchising provisions contained in Part 3 of the Transport (Scotland) Act 2019 are designed to increase the range of situations in which a local transport authority can consider using the franchising option. The system is designed to ensure that appropriate checks and balances are in place to assess whether a local transport authority's franchise proposals are robust and deliverable. This more structured approach to franchising will ensure that decision making is more transparent via a process of rigorous assessment and evidence-based analysis.

The above provisions require secondary legislation to enable their use by local transport authorities and we are considering what associated guidance should be made available to support implementation. We are about to undertake a public consultation on the necessary guidance and secondary legislation needed to give effect to the new powers.

In Scotland, is there a minimum level of service that residents are entitled to, and if so, how is it defined?

There is no set minimum. It is for local transport authorities to determine what services are required by their communities and residents. Requirements will vary dependent on local circumstances, including local geography and the availability of alternative transport options.

In Scotland, what is the process for a local authority to set up a municipal bus company, and what support does Transport Scotland offer in that respect?

Section 34 of the Transport (Scotland) Act 2019 enables local transport authorities to provide services for the carriage of passengers by road using vehicles that require a Public Service Vehicle (PSV) operator's licence to do so. To do this, the authority must be satisfied that the provision of such services will contribute to the implementation of their relevant general policies (as defined in the Transport (Scotland) Act 2001). The 2019 Act also provides that the Scottish Ministers may issue guidance in relation to the exercise of the new functions and that LTAs must have regard to any such guidance.

The 2019 Act is not restrictive in the way LTAs can run their own buses, enabling them to use the power as they see fit within the wider context of their obligations—for example, this could be through an arm's length external organisation or run directly.

This provision is yet to be commenced and we are in the process of working with local transport authorities to establish what should be included in any guidance, as well as any resources that would be helpful in the implementation of this model.

Prior to the introduction of this provision, the Transport Act 1985 deregulated bus services, expressly preventing a council from providing services for the carriage of passengers by road which require a PSV licence. The island councils (Orkney Islands, Shetland Islands and Western Isles) are, however, exempt from this prohibition. The West of Scotland Regional Transport Partnership (known as Strathclyde Partnership for Transport (SPT)) also have the powers to run their own services. At the time, bus services that councils provided were moved over to companies owned by them, which were then largely sold off. In Scotland, only one of those companies remains in existence today: Lothian Buses Limited.

Yours sincerely,

Tom Davy

TS : TS BAAT, Bus Strategy and Concessions Policy Unit

