



OVERVIEW AND SCRUTINY COMMITTEE	AGENDA ITEM No: 10
24 APRIL 2020	PUBLIC REPORT

<u>DECISION REQUIRED</u>	
FROM:	
Lead Officer and Author: Robert Fox, Interim Scrutiny Officer	
<p>The Committee is recommended to:</p> <ol style="list-style-type: none">1. Note and comment on the contents of the Annual Report;2. Consider, comment and approve/reject the recommendations of the Task and Finish Groups;3. Approve the report to be presented to the Combined Authority Board.	

1.0 FOREWORD FROM THE CHAIR, COUNCILLOR LORNA DUPRE

1.1 I am pleased to present the Overview & Scrutiny (O&S) Committee's Annual Report for the year 2019/20. I would like to thank the Members of the Committee for their hard work, knowledge and understanding of the issues that have come before the Committee, as well as the support they have provided me in my role as Chair. I would also like to thank the various officers who have supported the Committee throughout the year, and the expertise of the contributors who have spoken to the Committee as well as the Task and Finish Groups.

1.2 It has been a privilege to chair this Committee which scrutinises decisions and issues affecting the everyday lives of the people of the Combined Authority area. This report highlights the key work it has undertaken in the past year and shows some excellent examples of scrutiny.

1.3 As Chair I have actively sought on behalf of the Committee to seek a working solution to quoracy issues that have affected the Committee and this is work in progress.

1.4 Conducting effective scrutiny will always require us to move beyond simple challenge, working instead as a critical friend to the Mayor and the decision-making Committees. As Members we are ambassadors for our own communities, and as such are able to give genuine local insight. Members of the Committee have worked constructively and positively to add real value to the areas the Committee has considered. As a Committee we have looked at many issues including the Combined Authority's Local Transport Plan, housing standards, and the Combined Authority's budget, and I am particularly proud of how we have been reflective in our understanding of scrutiny. I should recognise that the Members of the Committee have given a significant commitment as many are also Members of parish councils, city or district councils and the County Council. I would like to particularly thank all those who have volunteered for additional Task and Finish Group work, the reports of which are included in this Annual Report. My thanks are also extended to the Lead Members who have shadowed the work of the Combined Authority Committees. I hope, and expect, that the level of commitment shown by Members of the Committee will continue in years to come and that our ambitions as a Committee can develop still further.

2.0 CAMBRIDGESHIRE AND PETERBOROUGH COMBINED AUTHORITY OVERVIEW AND SCRUTINY COMMITTEE 2019/20

- 2.1 The O&S Committee has held nine full Committee meetings since May 2019 – this meeting being the tenth. It has considered 20 reports covering policy development, pre-scrutiny, progress monitoring, governance, the Combined Authority budget, and performance.
- 2.2 In addition the O&S Committee has standing items on the Combined Authority Board agenda, the Combined Authority Forward Plan, the Committee's own work programme, and Lead Member Questions to the Combined Authority Committees.
- 2.3 By month the work of the Committee is highlighted below:

May 2019

- 2.4 The Committee voted not to co-opt an independent Member. Updates were received on the University of Peterborough and the Combined Authority Budget. The Mayor was in attendance and answered questions put to him by O&S Members. The Project Register and Board Performance Report was also received and noted by the Committee.

June 2019

- 2.5 The Committee received a Transport briefing covering passenger transport, strategic transport schemes, transport planning, and engagement with national and regional bodies. It also received a report on affordable housing and resolved to receive regular updates on this area of policy.

July 2019

2.6 At this meeting the O&S Committee received standing item reports only.

September 2019

2.7 The Mayor had been due to attend this meeting but was required to attend a Ministerial meeting. The Committee received three substantive items: a further update on the Project Register, the Combined Authority's Governance Review on which the Committee requested information be published on the Combined Authority website signposting where and how questions from the public at Committee and Board meetings can be raised. Additionally, the Committee noted a Mid-Term Financial and Business Plan.

October 2019

2.8 The Mayor was in attendance and responded to questions from the Committee. The Committee received a further update on the Governance Review and appointed Lead Members to shadow the work of the Combined Authority Committees. The Committee accepted the recommendations within the review. The Task and Finish Groups updated the Committee on their work to date.

November 2019

2.9 The Committee received the draft Combined Authority Budget and Medium-Term Financial Plan to 2024, which was noted as further reports would be received in the next two months. A further update on the Affordable Housing Programme was also noted.

December 2019

2.10 A further update on the draft Combined Authority Budget and Medium-Term Financial Plan to 2024 was received. This time the update was for the draft budget which had been approved by the Combined Authority Board. A period of four weeks consultation had commenced. As well as noting the report the O&S Committee raised concerns with the Combined Authority Board about two identified jumps in the draft Budget costs. It did this in its role as a formal consultee to the budget process. The Committee also noted a report from the Combined Authority Transport and Infrastructure Committee.

January 2020

2.11 The substantive item was a final report on the Combined Authority Budget and Medium-Term Financial Plan to 2024. The Committee noted the budget and financial plan but requested, in future explanations if different versions of financial papers showed significant differences between figures. The Committee also received a report on the role descriptions for the O&S Lead Members. It was agreed that Members questions and answers be published on the Combined Authority website.

February 2020

- 2.12 The Committee noted a report on the Trading Companies of the Combined Authority and requested access to the minutes of the company meetings. The Committee recognised that exempt papers and items, which may be commercially sensitive, would have to clear the normal processes to be made available. Additionally, the Committee received a presentation on the Affordable Housing Programme and agreed a recommendation to the Combined Authority Housing and Communities Committee thus:
- The Overview & Scrutiny Committee heard evidence that developers routinely complete dwellings which are of lifetime standards even though the additional costs for an accessible dwelling is around £1,500 per unit. Given the CPCA invests significant funds into additional new homes, the Overview & Scrutiny Committee recommend that the Housing and Communities Committee:
 - a) Consider whether the Combined Authority should only fund developments that include homes that meet the criteria of creating a lifetime accessible home and minimise CO² emissions; or whether the Combined Authority adopt an approach whereby a percentage of investment funding for additional new homes is allocated to lifetime accessible and CO² reduction homes.
 - b) Collate data on the number of dwellings which the Combined Authority has invested in and plans to invest in, which: a) are accessible dwellings; and b) contribute to CO² emission reduction including quantifiable analysis of the annual direct (gas) and indirect (electricity) emissions from housing in which the combined authority had invested, with an indication of how this fits into local and national 2050 decarbonisation targets.
- 2.13 There was a meeting planned for March 2020 but due to the Coronavirus pandemic it was not possible to hold this meeting as, at the time, the necessary regulations to enable public meetings to be held virtually had not been published.

3.0 TASK AND FINISH GROUP REPORTS

3.1 BUS REVIEW TASK AND FINISH GROUP

3.1.1 BACKGROUND

- 3.1.2 In November 2017 the Cambridgeshire and Peterborough Combined Authority (CPCA) commissioned a Strategic Bus Review to undertake a high-level study of the bus network and to make recommendations for the way forward for bus provision across the region. In January 2019 the Strategic Bus Review Options Report was published and is available at:

<https://www.cambridgeshirepeterborough-ca.gov.uk/assets/Uploads/Strategic-Bus-Review.pdf>

- 3.1.3 The report recommendations included:

- i) Procurement and completion of a business case to assess different delivery model options, including engagement with operators around likely Enhanced Partnership and Franchising options
- ii) Basic establishment of Transport for Cambridgeshire and Peterborough (TfCP), including preparation to deliver outcomes of the business case – scope of responsibilities, what will be delivered in-house, what will be contracted out, governance arrangements, etc.
- iii) Consultation on business case, completion of an independent audit
- iv) Decision on the delivery model by the mayor, and implementation of switch to new delivery model
- v) Expanded role for TfCP across the delivery of projects that follow
- vi) Engage with operators to improve city bus services – define gaps, identify how to fill those gaps
- vii) Exercise targeting immediate improvements to busway services
- viii) Identify opportunities for modern, urban demand responsive services
- ix) Improvements to Inter Urban bus services – start to create the network of hubs into which the modernised rural transport will link, and the services which will link those hubs (some exist already)
- x) Restructuring of Rural Transport Delivery – begin to identify holistic future model, combining best aspects of existing provision and targeting consistency of rural service across the area
- xi) Expanded and targeted bus priority network, particularly in Cambridge but also as required in Peterborough (and elsewhere)
- xii) Delivering Cambridgeshire Autonomous Metro (CAM) – preliminary work to deliver proposals
- xiii) Expansion of Urban demand responsive transport, in conjunction with local operators
- xiv) Progressive roll-out of holistic and consistent rural transport services
- xv) Rural Hubs – completion of a series of rural hubs, providing comprehensive facilities for their local areas, and linked into the upgraded inter-urban bus network
- xvi) Delivery of CAM and revision of bus services to complement CAM operations
- xvii) Restructure internally to engage with emerging Mobility as a Service (MaaS) opportunities – process continues into medium term

- xviii) Branding & Information Provision – establish unique and identifiable branding and promotion for all public transport in CPCA area
- xix) Develop integrated networks with other modes, particularly rail
- xx) Begin switch to a modern, Mobility as a Service (MaaS)-based public transport service, with harmonised payment systems, information provision, etc
- xxi) Completion of switch to modern, MaaS-based public transport service

3.1.4 A Bus Reform Officer Task Group with officers from Cambridgeshire County Council, Peterborough City Council, the Greater Cambridge Partnership and the Combined Authority has been established by the CPCA which meets on a monthly basis and is tasked with delivering a Business Case to assess the benefits of operational models open to the Combined Authority including enhanced partnerships and franchising opportunities in line with Department for Transport (DfT) guidelines and legislation. The Business Case is to be completed in Quarter 1 of 2021.

3.1.5 Additionally, a Bus Reform Member Task Group has been established, Chaired by the Mayor, which held its first meeting in December 2019. This group is made up of elected members from across the Combined Authority area together with external experts on bus services. This Group provides external expertise and stakeholder input to the bus review.

3.1.6 The Task Group workstreams are identified are:

- Review of Subsidies
- Tactical Improvements
- Strategic Delivery Options Business Case

3.1.7 At its meeting on 7 November 2019 the CPCA Transport & Infrastructure Committee received an update on the work on the Task Group. The report is available at:

[Update Report Nov 2019](#)

3.1.8 Given the above the CPCA Overview & Scrutiny Committee agreed the establishment of a Task & Finish Group (T&FG) for the municipal year 2019/20 on the Combined Authority's Bus Review.

3.1.9 Membership of the Task and Finish Group was established as:

- Councillor Anne Hay, Fenland District Council (Chair)
- Councillor Grenville Chamberlain, South Cambridgeshire District Council
- Councillor David Connor, Cambridgeshire County Council
- Councillor Doug Dew, Huntingdonshire District Council
- Councillor Ed Murphy, Peterborough City Council (substitute)

3.1.10 The Task & Finish Group began by scoping its initial priorities in order to ensure it addressed the following issues raised by the Strategic Bus Review:

- How consultation with service users will be handled
- Sequencing of the Task Group's work.
 - The T&FG/O&S need to understand this to ensure that they are able to contribute in a timely manner to any decision making
- Roles of Transport & Infrastructure Committee, Cambridgeshire County Council, Peterborough City Council and the Task Groups.
- How the Bus Review is to be coordinated with the CAM project
- How will the review work and ensure good bus services in both the urban and rural areas; and whether there is a case to look at two different models, with urban areas being commercially viable but rural not?

3.1.11 It was agreed that particular emphasis and depth be given to the final issue. The other issues, if time constraints allowed would be looked at with a lighter touch.

4.0 T&FG FINDINGS

4.1 The T&FG found from evidence sessions that there were concerns about infrequent bus services in rural areas that fail to necessarily serve the working population. Questions about what is the best model to pick up and choose?

4.2 The CPCA and Bus Services

The T&FG was informed about the following with regard to the CPCA and bus services throughout the Combined Authority area:

- As part of the Devolution Agreement, the Cambridgeshire and Peterborough Combined Authority received statutory responsibility for public transport
- Operational responsibility for current arrangements for subsidising bus services and routes delegated by the CPCA to Peterborough City Council and Cambridgeshire County Council
- Nov 2017 - CPCA commissioned a Strategic Bus Review to undertake a high-level study of the bus network and make recommendations for the way forward for bus provision across the Combined Authority area
- Jan 2019 - CPCA Board approved the establishment of a cross-organisational group to respond to the Strategic Bus Review by developing an implementation strategy
- Mar 2019 - Board approved £400,000 within the 2019/20 budget to commence work and delegated authority to the Transport and Infrastructure Committee
- Sept 2019 – Board approved further £400,000

4.3 Progress to date of the Strategic Bus Review

The T&FG has been kept up-to-date on the progress to date on the Strategic Bus Review and was informed of the following:

- April 2019 - Bus Reform Officer Task Group established with officers from Cambridgeshire County Council, Peterborough City Council and Greater Cambridge Partnership. A programme board meets monthly and comprises senior officers from Cambridgeshire County Council, Peterborough City Council, the Greater Cambridge Partnership (GCP) and the CPCA
 - July 2019 - Programme Initiation Document (PID) for a Bus Reform Programme (update from 7 November 2019)
 - 'A better deal for bus users' – government's £220m funding announced in Sept 2019 to boost buses. Close liaison is being maintained with DfT to ensure that CPCA secures its fair share of the available funding
- a) Review of subsidies
- Five-stage Bus Service Assessment Framework designed to evaluate the impact of changes in the level of subsidy on communities
 - this framework applied to subsidised bus routes in both Cambridgeshire and Peterborough to identify the potential for optimising the allocation of bus subsidy across the region
- b) Tactical improvements (Tangible improvements that can be implemented in the short term; will require close cooperation with bus operators and will explore operators' appetite for partnership approaches such as Enhanced Partnerships, providing experience to inform the Delivery Options Review)
- Longer minimum contracts for contracted services, thereby giving more certainty to bus operators to invest in better buses and offer more attractive prices
 - Optimisation of the contracted services network, to optimise the return gained from public sector investment in bus services
 - Provide better information to bus users and non-users, eg on bus timetables and bus facilities, to encourage bus usage and increase ridership
 - Improved bus stop signage and infrastructure, particularly in rural areas, to make it easier to use buses, thereby increasing ridership
 - Marketing the bus as a mode of transport, in particular to drive mode shift from cars – co-ordinating with the marketing campaigns of bus operators, in particular Stagecoach
- c) Strategic delivery options business case
- will develop the business cases for a number of possible delivery options for bus services in the CPCA region, including Enhanced Partnership(s) between CPCA and the regional bus operators, and

Franchising; business cases will be developed to Outline Business Case (OBC) level using the Treasury's five-case model approach

- Integrated Transport Planning Ltd (ITP) were appointed in early October 2019 to develop the business cases and have started work by conducting a number of stakeholder workshops to start to develop the vision for improved bus services across the region

<u>Milestone</u>	<u>Timescale</u>
Vision; stakeholder insights; benchmarking report	End December 2019
Future bus delivery environment report	Mid-February 2020
Specification of appraisal options	End March 2020
Draft Economic Case and preferred option identified	End April 2020
Final Outline Business Case	End June 2020
Independent audit of OBC complete	September 2020
Public consultation on recommended option complete	End December 2020
Mayoral decision on option to adopt	Early 2021

- 4.4 The T&FG heard that a reform programme is a follow-up from the options coming out of a survey in 2017 which was undertaken with 5,000 bus users and non-bus users throughout the Combined Authority area. In total 1,200 people were interviewed in the streets, over 3,000 online, and a focus group drawn together from each of the individual local authority areas. The survey was statistically valid. The data is being gathered for benchmarking, forecasting and optioneering to provide the possible future options for how the bus network will operate, which are:

- Business as usual
- Advanced Quality Partnerships – the Combined Authority commits to take steps to support local bus services and in exchange the bus operators are required to meet specific local standards. Commitments are legally binding and enforceable. They usually apply to a specific route or corridor, but it is possible to cover a wide geographical area, such as an entire local authority or city region
- Enhanced Partnerships – which brings with it the ability for local authorities to set fares
- Franchising – contracting in bus companies to operate services designed, scheduled and funded by the Combined Authority

Outline Business Cases will be developed for all four options. The work will continue with a view to a Mayoral briefing in January 2021.

- 4.5 The 2017 survey found priorities for bus users were reliability, frequency, service start and end times, (first bus time, last bus time), directness of

services in rural areas and reliability in urban areas. There was less importance attributed to the passenger environment.

- 4.6 Amongst non-bus users 23% would not consider using a bus service at all. Respondents indicated buses were infrequent, take too long, and do not go to the destinations they would want. Cars are more convenient, faster and cheaper were amongst the reactions.
- 4.7 Service improvement suggestions were prioritised thus:
- Service reliability
 - Service frequency
 - Value for money/cost
 - Earlier start and later end times of buses
- 4.8 Over 80% of users and non-users alike were supportive of the following potential improvements:
- Access to employment destinations within 30 minutes
 - Expansion of the network
 - More frequent services
- The survey indicated there was little support for autonomous vehicles.
- 4.9 Better integration with railway stations is being looked at alongside combining excellence in delivery with visionary thinking to produce a best-in-class service.
- 4.10 Some 93% of bus mileage in the Combined Authority area is commercially provided. The number of new homes in the area means that employment areas will need an improved bus service (as well as public transport generally). The bus services will need to be provided whilst the new homes are being built not after they have become established. There are considerations for providing better services in rural routes to become more demand responsive.
- 4.11 National policy changes have recently been announced with an additional £170m of additional funds for bus services in 2020/21. A National Bus Strategy will be part of the Comprehensive Spending Review. Announcements have indicated this will include an additional £5bn of funding for bus and cycle routes, over five years. Additionally, as a result of the Coronavirus pandemic there has been an announcement of more Government funding with around £3million of intervention monies coming into the Combined Authority area.
- 4.12 Last year it was agreed that the Combined Authority will delegate to Cambridgeshire County and Peterborough City Councils Transport Levy funds amounting to £3.8m for Peterborough City Council and £8.5m for Cambridgeshire County Council.

- 4.13 Decisions about which of the four future operating models is to be adopted will be made by the Mayor in the new year 2021 and there is a lot of will to get things done. There is not expected to be any significant slippage to the Mayoral decision as a result of the Coronavirus pandemic.
- 4.14 There were 'quick wins' indicated in an Options Report published in January 2019 of which the following have already been implemented:
- Improvement of side of the road bus stop signage
 - Both the Stagecoach and Whippet operators have improved bus stops with a budget available for further improvement
- Current one-year contracts for bus operators are being rolled forward by a year.
- 4.15 Future developments will include:
- Better information being available on apps
 - Smaller operators will be provided with electronic ticket machines to:
 - Help with the audit of lost mileage
 - Help the auditing of concessionary fares
 - Give accurate GPS information for apps
 - Enable contactless ticketing throughout the Combined Authority area
- 4.16 The T&FG heard about the Bus Services Operators Grant (BSOG) which measures mileages and fuel consumption rates throughout the country. This enables the CPCA to have a good understanding of network mileage and whether this goes up or down – this is a consistent measurement as it is DfT audited.
- 4.17 The DfT requires public consultation to take place and this will be held between September and December 2020. The consultation will ascertain the thoughts of the general public on the available options outlined in 2.4 above.

5.0 BUS REVIEW T&FG RECOMMENDATIONS

- 5.1 The T&FG commends the follow recommendations to the CPCA Overview & Scrutiny Committee:
1. The T&FG requests the O&S Committee approves the extension of the work of the Group until the Mayoral decision in January 2021; and, if approved, would wish to see the business cases for each of the four options being considered;
 2. The T&FG recommends bus services are in place in advance of the launch of the CAM to ensure services run to destinations served by the CAM;
 3. The T&FG recommends better marketing of services, particularly in rural areas. This would include marketing of timetables and unified branding;

4. The T&FG recommends the use of bus informatics throughout the Combined Authority area – this is lacking in rural areas currently;
5. The T&FG recommends subsidised fares particularly in rural areas. This would go some way to addressing the issue of 23% of survey respondents stating they would never use a bus service. The increased use of public transport over private vehicles would also address the climate change agenda;
6. The T&FG recommends a separate review of the bus routes currently used and consultation with employers, employer groups and large clusters of businesses relevant to bus routes;
7. The T&FG recommends future bus contracts be for greater than one-year to enable greater medium and long-term investment into those services;
8. The T&FG recommends the eventual elimination of cash-handling on bus services; whilst recognising the difficulties this might cause some members of society. This could be achieved through contactless or pre-paid fares. The Combined Authority should look into the introduction of a pre-paid card that could integrate with train services, along similar lines to the *Transport for London* Oyster Card;
9. The T&FG recommends there is uniformity throughout the Combined Authority area regarding the age of use for bus passes; it also recommends scrapping the 09:30 commencement for use of bus passes, as this is an issue for rural bus services;
10. The T&FG recommends the Strategic Bus Review ensures its work is complete to enable a Mayoral decision by January 2021, or sooner if this is possible.

6.0 CAM METRO TASK AND FINISH GROUP

6.1 BACKGROUND

6.1.1 In March 2019 an Outline Business Case (OBC) for the CAM Metro was issued and made public following a decision at the Combined Authority Board. Following a procurement process, engineering consultants were appointed. This was shared with the T&FG.

6.1.2 The OBC needs to be ready by summer 2020. The OBC consultants were asked during the tender stage if they could identify any efficiencies. All OBC deliverables from the consultants will go to the CAM Programme Board and then the CPCA Board, so there is hierarchical decision-making involved. There are three advisory sub Committees in place: Finance, Delivery and Technology.

6.1.3 The O&S Committee established a T&FG to scrutinise the process. Membership of the Task and Finish Group was established as:

- Councillor Alan Sharp, East Cambridgeshire District Council (Chair)
- Councillor Peter Fane, South Cambridgeshire District Council
- Councillor Markus Gehring, Cambridge City Council
- Councillor Jocelynn Scutt, Cambridgeshire County Council

6.1.4 The Task and Finish Group commenced by scoping its initial priorities and agreed these as:

- Financial viability of the project and how this will be addressed in the OBC
- How the unique circumstances of a mass transit system which extends into rural areas rather than operating within a metropolitan area will be dealt with in the OBC process
- The co-ordination of the CAM Metro project with the Transport Strategy and with other transport issues, including the Bus Review

7.0 T&FG FINDINGS

7.1 The T&FG has met on three occasions, to publication date, and has heard evidence around each of the priorities in 6.1.4, above.

7.2 The T&FG now seeks agreement from the O&S Committee to present its findings and recommendations, in full, to the next meeting of the Committee in May 2020 as outlined in 8.0, below.

8.0 T&FG RECOMMENDATIONS

8.1 The T&FG requests an extension to the next meeting of the O&S Committee to present its recommendations on the CAM Metro as per its scope outlined in 6.1.4, above. The T&FG intends to meet remotely to formulate and agree those recommendations.

9.0 DECISION REQUIRED

- 9.1 This Annual Report is commended to the Overview & Scrutiny Committee for submission to the Cambridgeshire and Peterborough Combined Authority Board.
- 9.2 It is intended that future Annual Report shall include a self-assessment exercise to be completed by Members to enable richer data to include within the Report.

ENDS.