

TRANSPORT AND INFRASTRUCTURE COMMITTEE	AGENDA ITEM No: 2.4
29 April 2020	PUBLIC REPORT

BUS REFORM TASK FORCE

1.0 PURPOSE

- 1.1. The bus reform project identifies ways to deliver bus services within the Authority's area that meet the aspirations of the citizens. This report seeks approval for developing the Outline Business Case (OBC) which will then recommend a preferred course of action.

<u>DECISION REQUIRED</u>	
Lead Member:	James Palmer, Mayor of Cambridgeshire and Peterborough
Lead Officer:	Paul Raynes, Director of Delivery and Strategy
Forward Plan Ref: N/A	Key Decision: No
<p>The Transport and Infrastructure Committee is recommended to:</p> <p>(a) Note that the progress of the project to date.</p> <p>(b) Agree that the project should proceed to the writing of an Outline Business Case</p> <p>(c) Delegate to the Director of Delivery and Strategy the procurement & appointment of an independent auditor.</p>	<p>Voting arrangements</p> <p>Simple majority of all Members</p>

2.0 BACKGROUND

- 2.1. Work on the bus reform project commenced in 2019. Its aim, in line with the Local Transport Plan, is to look at different ways in which bus services can be drawn together into a well-functioning integrated transport network. The project is led by the Mayor, who chairs a Bus Reform Task Force. This is supported by an officer team which brings together officers from member councils under Combined Authority leadership. The Combined Authority has appointed ITP Consultancy to support the detail of this work and Addleshaw Goodard LLP to provide legal advice.
- 2.2. As a result of initial work, four options were identified:
 - Deregulated bus services – the current structure for bus services
 - Advanced Quality Partnership Scheme (AQPS)
 - Enhanced Partnership (EP)
 - Franchising
- 2.3 There is a legal requirement to notify operators that the possibility of franchising some or all the bus services in the Combined Authority's area is under consideration. That was met by a letter issued on 2 May 2019.
- 2.4 The different options were assessed, and a public consultation exercise was held between September and December 2019, over 5,000 people participated either face to face or on line, with statistically significant numbers of bus users and non-users across the two larger cities and four districts. Their views are captured in the Local Insights Technical Note (appendix 1)
- 2.5 A Vision for Buses was devised to capture these views about the status quo and to develop a vision of what the public want for the future (Appendix 2). This was approved by the Mayor's Bus Reform Task Force on 31 March.
- 2.6 Both our professional advisers, ITP and Addleshaws, now advise that the project is ready for the writing of an Outline Business Case to HNM Treasury Green Book standards. The next stage will therefore require ITP to gather data, assess, and consider what the implications of an enhanced bus network are, and to create a full OBC with five constituent parts:

The Strategic Case – is the proposal needed?

The economic Case – is it value for money?

The Commercial case – is it viable?

The Financial Case – is it affordable?

The Management Case is it achievable?
- 2.8 Each part of the appraisal process in the OBC needs to differentiate between the four different options; consider any complimentary measures such as parking policies or land use changes. This is because the Bus Services Act

2017 requires that each option needs to have been developed in sufficient detail to be able to accurately assess the impacts.

- 2.9 The assessment report is required to explain how the preferred option should be procured and delivery risks managed.
- 2.10 This work is expected to complete by the end of June; it will then be appraised and audited. An independent auditor will be commissioned to undertake this work.

3.0 FINANCIAL IMPLICATIONS

- 3.1. There are no financial implications in this decision. The OBC stage of this work was budgeted for within the original Board decision.
- 3.2. ITP is employed on a fixed contract with agreed costs. Addleshaw Goodard LLP are appointed on a Local Government Framework contract with agreed funding and agreed monies already released to pay their costs in full, which are budgeted month by month in the project plan.

4.0 LEGAL IMPLICATIONS

- 4.1. This Transport and Infrastructure Committee meeting shall be conducted in accordance with Parts 2 and 3 of the Local Authorities and Police and Crime Panels (Coronavirus)(Flexibility of Local Authority and Police and Crime Panel Meetings)(England and Wales) Regulations 2020 (SI 2020 No.392).
- 4.2. It is a requirement to prepare a business case and have it independently audited as part of Combined Authority Assurance framework governance.
- 4.3. It is a requirement of the Bus Services Act 2017 that an independent audit be undertaken should Franchising be a preferred option.

5.0 APPENDICES

<u>Background Papers</u>	<u>Location</u>
Appendix 1 – Local Insights technical note	
Appendix 2 – Vision for Bus technical note	
Appendix 3 - Programme Plan	