
Financing local transport

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Better Transport

Campaign for Better Transport

- Environmental campaigning charity
- Aims to influence transport policy so as to improve people's lives while reducing environmental impact
- Runs public campaigns (rail fares and buses)
- Carries out detailed research and promotes improvements in everyday transport
- Pilots and promotes good practice and new ideas

Local transport is facing significant financial pressures

- Cuts in general local authority funding
- Changes in concessionary fares regime
- Cuts in Bus Service Operators Grant
- Increases in rail fares
- Integrated Transport Block Grant cut and changed
- Increased need as other services close/ centralise

And other “reforms” e.g. the new planning framework won’t help

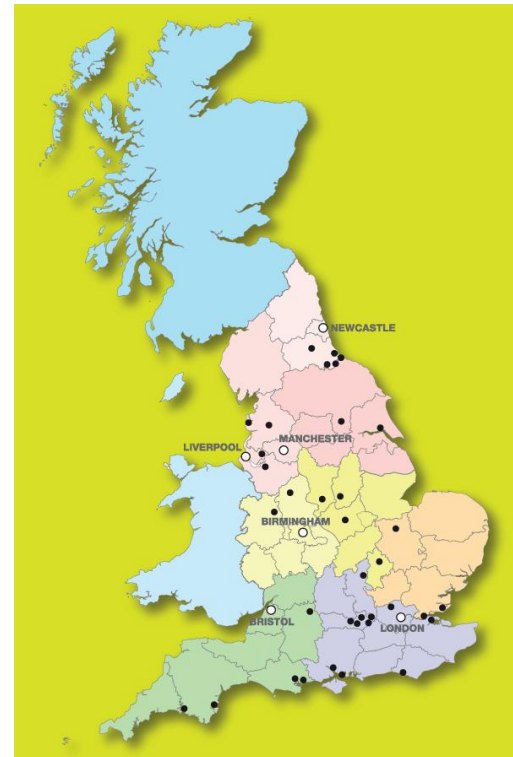
Results

- Cuts in bus services: over 1000 have gone, 77% of councils say more may follow, at least one company is planning big fares increases
- Travel planning, cycling and other spending has been slashed
- Local authority knowledge and capability has been cut

Save our Buses



- Highlighting benefits of buses
- Bringing together NGOs, unions and others
- Helping local campaigners
- And tracking what's happening on the ground so that buses become a national not just local issue



Why buses matter

- Welfare to work: people out of work need buses to get access to jobs and training
- Economy: buses bring people to shops and support local economies
- Social isolation: buses bring people together, get older people out and give young people access to leisure
- Environment: buses are more energy efficient and involve less pollution than cars

So where to now?

- Smarter spending
- Options for buses
- Local Sustainable Transport Fund
- Transport consortia – devolution of major scheme funding
- Rail devolution
- New sources of funding

Smarter spending

- **Reducing the need to travel** to minimise the need for more transport infrastructure
- **Getting the most out of existing transport networks**
- **Prioritising spending on lower cost schemes which have higher rates of return**
- **Deferring spending on higher cost projects** which will meet longer term needs
- **Cancelling spending** that does not meet longer-term challenges, especially big road schemes (too many being kept alive)

Evidence shows it is possible to change travel behaviour and provide more choices, even with limited funding

Buses: possible ways forward 1

- Real consultation on proposed cuts/changes (legal opinion shows this is statutory not optional)
- Review services properly – assessment of need and look at whether supported services can be made profitable
- Better marketing and information
- Review markets served and seek partnerships with employers, schools, universities, hospitals, retailers etc to secure access and funding
- Seek alternative funding (New Homes Bonus, BIDs etc)

Buses options 2

- Smarter tendering: link transport services together and specify outcomes (1000 children to school) rather than outputs (run 40 school buses)
- Use existing legislation:
 - ▶ Partnerships
 - ▶ Contracts



Partnerships

- Local Transport Act 2008 now allows bus companies to co-operate and agree frequencies and fares
- Oxford partnership between two bus companies and district and county council
- St Albans partnership between four bus operators, two train companies, district and county council and University
- Nottingham city centre partnership
- Agree bus improvements alongside pro-bus policies

Contracts?

- Quality contracts would move to London-style tendering
- Need depots and funding
- Consider designating all areas not covered by commercial services as a quality contract
- Group tenders together as a network (the Gower)
- Social enterprises (HCT etc)

Door to door journeys



- Information
- Interchange
- Connections
- Ticketing

Local Sustainable Transport Fund lessons from tranche 1

- Answer the exam question: what will the project do for the economy and carbon?
- Show real support from business and others
- Show deliverability and clear outputs
- Focus on a few places rather than spreading the money around

Local authority major scheme funding

- Development pool: 45 schemes costing £1.2bn chasing £600m budget
- 4 big roads account for 40% of the bids (and face significant opposition locally)
- First test for new decision-making approach (5 stages)
- Decisions in December/January



Devolution of major scheme funding

- Consultation on “Transport consortia”
- Local authorities and local enterprise partnerships
- 20-25 following transport / economic boundaries (e.g. travel to work areas)
- Governance, accountability, criteria – still to be agreed

Rail devolution

- As part of rail reforms, intention to devolve decisions/ funding on local rail services to local authorities
- Greater Western first in line = Devon and Cornwall branches, Bristol area
- Northern Trains, Anglia, W Midlands to follow
- London commuter services – TfL+ others?
- Dowry, revenue risks, freedoms (train leasing?) all still to be agreed
- Watford Junction- St Albans Abbey -> tram: another precedent

New sources of funding

- Developers: levies and tariffs, tax incremental finance: (Tavistock rail reopening financed by housing)
- Employers: business rates, BIDs
- Users: charging and parking revenues to be spent on transport (Nottingham proceeding with workplace parking levy)
- But toll roads won't work

Conclusion

- Local transport is facing big funding pressures
- Buses in particular are facing a “perfect storm” of cuts and cost increases, yet are vital for communities and individuals and are needed to support council and Government services and aims
- There are ways of using bus funding better and linking with other budgets
- There are other funding options
- Devolution of local transport and rail funding opens new opportunities

For more information

Campaign for Better Transport

www.bettertransport.org.uk

