

TITLE OF REPORT: **Gateshead Bus Alliances**

REPORT OF: **Paul Dowling, Strategic Director, Communities and Environment**

Purpose of the Report

1. This report seeks approval for the extension of joint working with Nexus and bus operators to the whole of Gateshead and, in particular, a revised agreement and relaunch for the East Gateshead Quality Bus Partnership as the East Gateshead Bus Alliance.

Background

2. The Sustainable Communities Place Overview and Scrutiny Committee undertook a review of public transport services in the borough during the autumn of 2005. During the evidence gathering sessions for the review, Go North East put forward a proposal to establish a voluntary quality partnership agreement between Go North East, Nexus and the Council, which would cover all aspects of the delivery of local bus services.
3. A two-year pilot East Gateshead Quality Bus Partnership was approved by Cabinet on 29 January 2008. That agreement expired on 30 May 2010 and a five-year extension of the Partnership was approved by Cabinet on 20 July 2010. The work of the Partnership has continued despite the lapse of the formal agreement in March 2015 but last year the Stakeholder Board that guides the work of the Partnership resolved that it should be returned to a more formal basis.

The Proposal

4. The experience of joint working has generally been positive.
 - The level of consultation on service changes has been improved. Where changes have proved unpopular, even after consultation, the Stakeholder Board has provided a forum for concerns to be raised directly with Go North East and Nexus at a senior level.
 - While fare increases are never popular, the commercial information shared with Stakeholder Board members has allowed a much greater level of understanding about the cost pressures faced by the operator
 - This level of understanding across a range of issues has led to a position of greater trust between the Council and Go North East that has proved to be more productive than what has often been a more adversarial relationship in the past.
5. The July 2010 Cabinet report also outlined the potential to extend the partnership approach to the whole of Gateshead but that opportunity was not followed through

at the time due to the development of the now abandoned Quality Contract Scheme for Tyne & Wear. Fortunately, the need to redraft the East Gateshead agreement also offered an opportunity to re-examine the potential to expand the coverage of the arrangements.

6. Given experience of the existing arrangements, it is considered that one single body covering the whole of the borough would be too unwieldy to have the local focus that has served the existing Partnership well. The best solution would therefore be offered by splitting the borough in two to give an extended East Gateshead agreement covering a broader area and an entirely new West Gateshead agreement (plans are included as Appendix 2 of this report).
7. A Members Briefing outlining that proposal was sent to all Councillors on 2 December 2016. No objections were received and the drafting of both agreements commenced. The agreement for East Gateshead is presented here for approval (as Appendix 3), while the agreement for the West Gateshead Alliance will be presented at a future meeting.
8. The redrafting also allowed the tidying up of some minor technicalities. Under the Local Transport Act 2008, any new agreement would be a 'Voluntary Agreement' rather than a Partnership, which has a more formal/prescribed status. Recognising that, and given the increased focus on Partnerships brought about by the recent Bus Services Bill, it appeared appropriate to avoid any confusion by rebranding any new agreement as a 'Bus Alliance'.
9. The new East Gateshead agreement covers the five years to 30 September 2022 and while it retains the successful features of previous agreements it is also enhanced through commitments on engine emission standards, the passenger experience and bus lane enforcement.

Recommendations

10. It is recommended that Cabinet:
 - (i) Approves the expansion of the area covered by the East Gateshead Bus Alliance and the establishment of a West Gateshead Bus Alliance
 - (ii) Approves the Voluntary Agreement for the East Gateshead Bus Alliance through to 30 September 2022, as set out in Appendix 3.
 - (iii) Authorises the Service Director, Development, Transport and Public Protection to make any necessary minor changes to this Agreement through consultation with the Cabinet Member for Environment and Transport before formal signing.
 - (iv) Agrees to receive a further report, setting out the Voluntary Agreement for a West Gateshead Bus Alliance, in due course.
11. For the following reason:

To support a sustainable transport system capable of supporting the borough's environmental, social and economic objectives.

Policy Context

1. Bus Alliances in principle, and the East Gateshead Bus Alliance specifically, are in line with the Council's Sustainable Community Strategy, Vision 2030, supporting goals for:
 - A thriving economy for all
 - A sense of pride and ownership by all

New Agreement for East Gateshead

2. The new agreement will cover the five years to 30th September 2022 and while it retains the successful features of the previous agreement, there are also some revisions and enhancements. The main features of the agreement are:
 - A Stakeholder Board will continue to oversee the delivery of the Alliance and monitor performance. The revised composition of the Board is three Gateshead Council representatives (reflecting the extended geographical area of the Partnership), one NECA Transport North East Committee (TNEC) Member, one Nexus officer and five Go North East Representatives.
 - Service changes will be made on agreed dates and subject to agreed consultation procedures (involving the community and local Councillors), although the basic concept of the agreement is to maintain as stable a network as possible.
 - Changes to fare levels will be limited to only reflect direct increases in costs and the Stakeholder Board would be consulted on any proposals. Go North East and Nexus will continue to look at innovative fares and ticketing options.
 - The fleet operating services will be modern, low emission, floor easy access buses with on bus CCTV, audio visual next stop announcements and wi-fi.
 - Punctuality and reliability targets will continue to be monitored against a penalty regime for failure to perform. The penalty payments contribute towards the Service Improvement Fund, which is used to provide benefits to passengers. The Stakeholder Board will continue to oversee the monitoring of performance.
 - A marketing sub-group of the Stakeholder Board will develop and oversee an annual marketing plan for the Alliance.
 - Gateshead Council will, within budget constraints, implement a programme of bus priority, infrastructure works, clearway enforcement and bus lane enforcement.
 - Nexus will maintain and improve shelters, interchanges and information.
3. A copy of the agreement is included as Appendix 3 of this report.

Extension to West Gateshead

4. The draft of a sister agreement for a West Gateshead Bus Alliance will be presented to Cabinet in due course. The agreement will largely mirror the format and principles of its East Gateshead counterpart, while reflecting local detail in relation to services, future infrastructure works etc.
5. However, there will also be more noticeable differences between the two. The West Gateshead Bus Alliance may include multiple bus operators and would therefore need to maintain commercial confidentiality in relation to some aspects of its business. As a result, the agreement will need to reflect that the operation of the Alliance, and the outcomes it produces, may differ from its East Gateshead counterpart.

Discussion

6. Proposals for a Quality Contract Scheme (QCS) were formally dropped by NECA last year. New legislation for bus franchising (providing similar powers to a QCS) has come forward through the Bus Services Bill. All authorities may pursue franchising, although the process is simplified for areas with an elected mayor and may still prove to be a long drawn-out process for those without. NECA is in the process of considering the most appropriate way forward.
7. Although the Voluntary Agreement approach does not offer the control over the bus network, fares etc that franchising would, it should be noted that this route offers the best chance for continued improvement in bus services within the Borough in the short/medium term.

Consultation

8. The Cabinet Members for Environment and Transport have been consulted.

Alternative Options

9. There are no alternatives available that offer the potential benefits of the proposed arrangement in the short to medium term.

Implications of Recommended Options

10. **Resources:**
 - a) **Financial Implications** – The Strategic Director, Corporate Resources confirms that as part of the proposed extension of joint working, the Council will continue to endeavour to improve highway conditions for bus operations and these infrastructure works will be included in the Council's capital programme.
 - b) **Human Resources Implications** – There are no human resources implications.
 - c) **Property Implications** – There are no property implications.
11. **Risk Management Implications** – There are no risk management implications.

12. **Equality and Diversity Implications** – The proposals will assist in reducing social exclusion by improving access for the young, elderly, unemployed/low waged and people with disabilities.
13. **Crime and Disorder Implications** – There are no crime and disorder implications.
14. **Health Implications** – The Alliances aim to enhance bus services which in turn facilitate access to services and facilities that enhance people's health and wellbeing.
15. **Sustainability Implications** – The proposals are an important element in providing the basis for a sustainable transport system capable of supporting the Borough's environmental, social and economic objectives in a sustainable fashion. In particular they seek to reduce car dependence, thereby contributing to important sustainability aims, such as the reduction of greenhouse gas emissions.
16. **Human Rights Implications** – There are no human rights implications.
17. **Area/Ward Implications** – All wards will be affected.

Background Information

18. Further background information is contained in:
 - report to Cabinet on 29th January 2008 on East Gateshead Quality Bus Partnership
 - report to Cabinet on 20th July 2010 on East Gateshead Quality Bus Partnership