



## SHEFFIELD CITY COUNCIL Cabinet Report

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**Report of:** Executive Director of Place

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**Date:** 22<sup>nd</sup> August 2012

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**Subject:** Sheffield Bus Agreement

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**Author of Report:** Dick Proctor, tel: 273 5907

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### **Summary:**

This paper briefs Members on the progress of plans for the “**Sheffield Bus Agreement**” – a Voluntary Partnership approach to improving the bus offer in Sheffield, principally through network design changes, new ticketing products and by reducing the price of the more expensive fares. It seeks agreement to enter into the Partnership, and to endorse specific further work

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### **Reasons for Recommendations:**

Improved Public Transport will contribute to the objectives of ‘Standing up for Sheffield’ and the Sheffield City Region Transport Strategy.

### **Recommendations:**

- 1) That Members note the results of the public consultation and work to date on the options for delivering a new Bus Agreement for Sheffield;
  - 2) That the City Council endorse the Voluntary Partnership Agreement option as the preferred delivery vehicle at the present time (noting that SYPTE work on the Quality Contract option is to be suspended to allow the Partnership Agreement to progress);
  - 3) That the City Council agree to the principle of being a co-signatory to the Sheffield Bus Agreement and endorse further work to facilitate a city-wide launch in October 2012.
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**Background Papers:**

Held by the Council's Transport Vision and Strategy team, also by the South Yorkshire Passenger Transport Executive.

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**Category of Report:** OPEN

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## Statutory and Council Policy Checklist

<b>Financial Implications</b>
YES Cleared by: Catherine Rodgers
<b>Legal Implications</b>
YES Cleared by: Deborah Eaton
<b>Equality of Opportunity Implications</b>
YES Cleared by: Ian Oldershaw
<b>Tackling Health Inequalities Implications</b>
NO
<b>Human rights Implications</b>
NO
<b>Environmental and Sustainability implications</b>
YES – see paragraph 7.5
<b>Economic impact</b>
NO
<b>Community safety implications</b>
NO
<b>Human resources implications</b>
NO
<b>Property implications</b>
NO
<b>Area(s) affected</b>
All
<b>Relevant Cabinet Portfolio Leader</b>
Councillor Leigh Bramall
<b>Relevant Scrutiny Committee if decision called in</b>
Economic and Environmental Well-being
<b>Is the item a matter which is reserved for approval by the City Council?</b>
NO
<b>Press release</b>
YES

SHEFFIELD BUS AGREEMENT –  
RESULTS OF PUBLIC CONSULTATION, PROPOSED CITY-WIDE LAUNCH**1.0 SUMMARY**

- 1.1 This paper briefs Members on the progress of plans for the “**Sheffield Bus Agreement**” – a Voluntary Partnership approach to improving the bus offer in Sheffield, principally through network design changes, new ticketing products and by reducing the price of the more expensive fares. It seeks agreement to enter into the Partnership, and to endorse specific further work
- 1.2 Buses play a key role in supporting economic growth by linking people to key facilities, education and job opportunities. This is particularly relevant in South Yorkshire where there is a dispersed population and relatively low levels of car ownership. This innovative partnership aims to improve the service offer, grow patronage and support economic growth.
- 1.3 Research indicates customers are seeking an acceptable bus product, namely one that is simple to understand, easy to use, affordable and delivers the right customer experience. The current situation is variable in its delivery of these service attributes and as such hinders people’s ability to use the bus to access employment and training opportunities as well as achieve social inclusion and environmental objectives.
- 1.4 Furthermore the bus network is not currently sufficiently punctual, reliable or stable for customers to use the bus by choice and for patronage to grow.
- 1.5 Subject to approval of the Partnership approach following the planned consultation stage, implementation is likely to be the 28 October 2012 service change date. SCC, SYPTE, First, Stagecoach, Sheffield Community Transport and TM Travel are all currently involved but the Partnership is open to others to join.
- 1.6 Overall, the objective is to offer a stable network of services across the city that broadly matches the existing whilst better matching resource to demand, with the majority of customers benefitting from reductions in the price of day and period ticketing.

## **2.0 WHAT DOES THIS MEAN FOR THE PEOPLE OF SHEFFIELD**

2.1 The Partnership proposes to offer customers (and reliably deliver):

- high quality, reliable, punctual services;
- a stable, clear to understand bus network, promoted as a whole;
- affordable, cost competitive, value for money fares and ticket products;
- a high quality customer experience both on and off bus;
- promote and market services;
- optimise joint resources to achieve efficiency; and
- maximise the positive environmental impact of the bus.

2.2 These measures will encourage existing users to continue using the bus, and encourage people who travel by other modes to switch voluntarily to the bus, thereby improving problems of congestion and the associated environmental impact this has.

2.3 On this basis the Partnership will make an important contribution to the Council's Corporate Plan "Standing Up for Sheffield". Out of 8 main themes in this document, the Bus Partnership work would contribute to:

- A strong and competitive economy (by improving access to jobs)
- Better Health and Well-being (by promoting active travel)
- Tackling Poverty and Increasing Social Justice (by providing access for all)
- A Great Place to Live (by providing safe and sustainable transport)
- Environmentally Responsible City (by helping reduce carbon emissions)
- Vibrant City (by contributing to fast and frequent transport connections)

2.4 The Bus Partnership work will also play a key role in delivering the Council's "Transport Vision". This aims to provide an improved range of travel options, describes a more integrated, reliable and accessible bus service that better meets passengers' needs as being central to this.

## **3.0 OUTCOME AND SUSTAINABILITY**

3.1 The purpose of the Bus Partnership is to:

- provide a quality transport option for those without use of a car;
- provide a quality choice for those with use of a car;
- increase the overall volume of people using Sheffield bus services;
- prioritise resources to support sustained economic growth and reduce worklessness;
- reduce the environmental impact of travel.

3.2 The key outcome of this report will be the acknowledgement of feedback from public consultation on the proposed bus "offer" (including network and tickets / fares); and the subsequent endorsement of the City Council being signatory to the Partnership

prior to the Agreement being launched on a city-wide basis in October 2012.

## REPORT

### 4.0 WHY IS INTERVENTION NEEDED IN SHEFFIELD?

4.1 As described in the summary section of this paper, the decline in bus patronage in Sheffield needs arresting for the reasons outlined. In particular, customer complaints and market research show that the main areas of passenger dissatisfaction are:

- Bus routes and times of operation;
- Bus quality (including facilities, ability to get a seat and cleanliness);
- Value for money (including product range, interchange ability, cost and variation in fares across Sheffield), in particular by First customers<sup>i</sup>.
- Wait time at the stop (including punctuality/lateness, reliability and frequency);
- Driver standards (including driving standards, customer care and failure to stop);
- Differing standards of service, and operating times from the two main operators (see Appendix 1)

4.2 Independent research from “Passenger Focus” (2012) confirms that says passengers across South Yorkshire want to see the following aspects of their bus journey improved:

- Punctuality of bus 25%
- More frequent buses 9%
- Improved driver attitude 8%

4.3 It is therefore in the public interest to intervene in the bus market.

### 5.0 WORK TO DATE ON DELIVERY OPTIONS

5.1 The differing options for delivery of improved bus services across South Yorkshire have been reported to the South Yorkshire Integrated Transport Authority (SYITA) in July 2011 and October 2011 for the Optio Partnership in Sheffield, and again in June and August 2012 as a general update on progress. At these meetings SYITA Members have been briefed on the progress under the differing arrangements under which improved bus services might be achieved, namely:

- Voluntary Partnership Agreements (VPA) - where agreement is reached between Operator(s), SYPTTE and the City Council on a package of measures to improve bus satisfaction, introduce stability and affordability and thereby grow patronage. The VPA will set out what the local Transport Authorities will provide, and to what standards Operators will provide their services.
- Statutory Quality Partnership Schemes (SQPS) - where the Council/SYPTTE improve the physical facilities on, or along, the line of a bus route(s) and in turn for using these facilities Bus Operators must meet certain physical attributes in their services.
- Quality Contracts (QC) - this option replaces the existing on-street competition with a franchised network option which is put in place, following a tender process. SYPTTE specify the franchise but the associated risk sits within the public sector.
- Do Nothing – This option is not considered in this report but in view of the falling bus patronage across many parts of the County is not considered an option.

5.2 At the July 2011 meeting SYITA Members noted the improvements made in Barnsley, Doncaster and Rotherham in partnership with local Bus Operators and endorsed that the VPA approach continue to be worked up and be formalised where the opportunity exists.

5.3 SYITA Members have also previously approved the implementation of the first two phases of a Voluntary Agreement for Sheffield (Optio Orange and Red) and in turn endorsed the delivery of a VPA across the whole of the Sheffield area, in parallel with a “twin-track” approach that also continued work on a potential Quality Contract.

5.4 ITA members were keen on the attractions of early delivery of the VPA option and that this might avoid the need for a QC, with its associated financial risk, but recognised that work should continue on the QC in case the VPA option encountered problems. The PTE has continued working on the Quality Contract option in refining costs, modelling, reducing risks and refining specification. The work has shown that this could be a plausible option but one which significantly shifts the onus of risk onto the public sector.

5.5 The key pros and cons of each approach as identified by the PTE are now summarised below:

#### a) VOLUNTARY PARTNERSHIP AGREEMENT

##### **Delivery**

- Launch in October 2012 is possible
- Investment ongoing

##### **Pros**

- This option has been shown to grow the market
- The main risks lie with the Operators

- Operators continue to actively work with SYPTE and SCC on this approach. This is especially relevant giving the alignment of timing to the PFI project.
- Agreement to share performance and related data
- It reduces the risk of commercial competition undermining the viability of the secondary (socially necessary) bus network
- The retention of operators' own ticket schemes avoid the risks of fares rising for customers of certain operators and on competitive corridors
- Eligible for Better Bus Area Funding, under current DfT plans and as part of the recent "City Deal"
- Retains higher frequencies than QC option, especially High Green, Ecclesall Road and Woodhouse Lane area and the new SL3 ("Supertram Link No.3")

### **Cons**

- Control over under performance remains influential rather than contractual
- Operators free to supplement Partnership marketing with their own marketing activity
- Risk that Operators exit the Partnership

## b) QUALITY CONTRACT

### **Delivery**

- Would take approximately 3 years to reach "launch date", allowing for statutory process including 2 x consultations, ITA (and SCC) approvals, QC Board deliberations, ITA responses procurement and contract award

### **Pros**

- Contractual relationship
- Performance management through incentives and penalties
- Public sector sole responsibility and control
- Complete public transport co-ordination and integration without risk of being undermined by competitive practices
- Benefits equally applied across entire area, rather than some areas being favoured through competition promotions
- Full passenger travel data from ETMs will help to develop the public transport offer to meet passenger needs and supply detailed information to support funding applications
- Single operational brand will help improve marketing opportunities and remove confusion of operational responsibility
- More simple and equitable ticket scheme
- Improved links between hospitals, to Meadowhall from South East and North Sheffield

### **Cons**

- Financial risk shared by ITA and SCC



- Uncertainty of future SYITA/SYPTE/SCC finances going forward, whilst committing to retain funding levels in the QC area via contract
- By adopting a single equitable ticket scheme, by implication this means that high fares reduce whilst low fares rise. Or contingency is invested into lower fares
- Cost and degree of commitment to delivery, including legal challenge
- Transitional risks, including non-cooperation of existing operators during the initial 3 years of the PFI project up to when the QC would go live.
- 10-year scheme with limited opportunities for making changes other than re-applying for a revised scheme
- Increased expectation that we can deliver exactly what is requested regardless of financial considerations
- Operator bids may be more expensive than expected making the scheme unaffordable
- Not eligible for Better Bus Area Funding under current City Deal.

5.6 A realistic minimum timescale for bringing the Quality Contract scheme into operation is considered to be 3 years, mindful of the threats of challenge from bus operators who oppose this option as they believe it to be a threat to their business. In comparison, a Voluntary Agreement could be in place as early as October 2012 and, if deemed less than successful could still provide much useful data for the preparation of a subsequent Quality Contract.

5.7 One of the problems any potential scheme promoter is facing at the moment is the lack of a precedent. Although QC legislation describes the Public Interest tests, supported by guidance, there is no directly prescribed approach and it is for the Local Transport Authority to determine how to apply the tests to the Scheme. As Members will be aware, both Nexus and Metro are considering a QC whilst continuing to discuss equivalent Partnership options. Most recently (29 June 2012), West Yorkshire ITA considered that the Partnership proposals put forward in West Yorkshire were lacking, especially in terms of accountability and adopting a single integrated ticketing scheme, they then endorsed further development of the QC option as their preferred approach.

5.8 The lack of a clear precedent for meeting the public interest criteria exposes this area as a very high risk to the Scheme. Additionally, this is the area which is most likely to be subject to challenges from interested parties. As well as the QC Board considering the Public Interest criteria in substantial detail, opponents of the Scheme will also recognise that this is their best opportunity to challenge the Scheme. As such, it is likely that they will also analyse our assessments in considerable detail and challenge them through the QC Board. We will need to closely examine at this stage whether our data is sufficiently accurate to stand the rigour of operator challenge.

5.9 By definition, a Quality Contract would require a standard fare to be set on a city-wide basis, and would preclude the possibility of "special

offers” on specific corridors. A QC would therefore disadvantage between 25-30% of existing customers. In comparison, the VPA option has very few losers as operators are able to maintain their own products (in addition to the new joint products).

- 5.10 The recently announced City Deal for the Sheffield City-Region enables the ITA, the City Council and bus partners to become a fast-track “test-bed” Better Bus Area, supported with additional Government funding from October 2012 onwards to enable us to become the first area to receive Bus Service Operator Grant (BSOG) devolution once the necessary powers are in place. The Government would provide between £1.5m- £2m per annum additional resources for use on initiatives agreed within a Partnership approach, but has confirmed it would not financially support the Quality Contract approach.
- 5.11 It should be noted that either option means a range of commitments on the City Council and the ITA – for example to operate and enforce bus priority measures, to manage the highway network as efficiently as possible for buses, and to make significant investments in transport infrastructure and traffic management over a period of several years.
- 5.12 In summary therefore PTE and SCC officers favour the Voluntary Partnership Agreement option, because it delivers most of the benefits of a Quality Contract and for the following reasons:-
- Speed of delivery.
  - Ticketing offers immediate benefits to customers using the Sheffield all-operator ticket products and day/period full price First customers, without asking customers of lower cost tickets to pay more.
  - The financial risk rests with the Operators, and the significant transitional risks of introducing a Quality Contract are avoided. It is therefore affordable despite the reductions in government funding over current and future years.
  - It has the opportunity to draw down significant funding through the City Deal (an estimated £8m over five years)
- 5.13 The PTE reported the above assessment of the two main delivery options to SYITA at its August meeting, and ITA Members resolved to support the Voluntary Partnership Agreement approach to improving bus services in Sheffield..
- 5.14 ITA also agreed to bring the work on the Quality Contract option in Sheffield to a sensible stopping point and suspend it (as opposed to abandon the work) in case it is ever needed in the future (e.g if the Partnership approach subsequently encounters unresolvable problems).
- 5.15 This paper therefore proposes that the City Council endorses and supports the ITA decisions for the way forward, noting that the Quality Contract option is essentially at that point of being ready to progress

into the more formal, statutory, stages of development and can therefore be suspended to allow the Voluntary Partnership Agreement option to be pursued

## 6.0 PROGRESS ON POTENTIAL NETWORK, TICKETING ETC.

6.1 Broader progress on the Sheffield-wide Partnership proposal has considered a wide range of network and ticketing issues, a Joint Investment Plan and a Marketing and Communications Plan. All these are described in more detail in Appendix 3. From an early stage, the need to involve the public was recognised as central to identifying problems and drafting solutions for an improved bus service in Sheffield.

6.2 To this end, a large-scale consultation exercise has been undertaken, from 18 June until 14 July, the overarching message being to seek to improve travel opportunities and optimise Sheffield's bus services to make them more attractive to customers.

6.3 Consultation tools included:

- A dedicated website with feedback tool.
- Letter briefing Members, MP's and key stakeholders.
- Briefings for all seven Assembly meetings within the consultation period, plus articles for Community Assembly websites and newsletters concentrating on affected areas.
- Stand in Sheffield Interchange.
- Briefing for local/regional media.
- Information on buses
- Sheffield Transport User Group, South Yorkshire Transport User Group and Sheffield On The Move presentations
- Briefing for national stakeholders and trade media.
- Monitoring of local media, website forums and social media.

6.4 By the end of the consultation, over 2500 responses had been received, including a total of 10 petitions regarding proposed changes to bus service routes. The key issues included:

- **Lack of service on Psalter Lane (and Ringinglow)** – In the light of the petitions and the level of public concern, SYPTE have proposed an hourly “tendered” service, and are seeking to actively engage with the local community to help grow the market.
- **Bus route in Millhouses** – The revised route would allow the Operator to improve commercial opportunities with improved frequency and commercial evening and Sunday journeys. Given local concerns raised, the Partners propose to reverse the route in the Millhouses area.
- **Wincobank** – Various views about the proposed new service pattern have been raised, but the emphasis is on providing a more reliable service. Present performance has been heavily criticised.

- **Cross Chapeltown link** – the existing service between Rotherham and Sheffield via Chapeltown and High Green is proposed to be split into Sheffield - High Green and Rotherham - Chapeltown links. Public concern reflects this loss of the through service, principally between High Green and Rotherham. The PTE believe that services into Sheffield are adequately provided for by other existing services but are now looking more closely at access to Rotherham including the colleges
- **Fulwood (Brooklands)** – Residents are unhappy at the prospect of a 20 minute frequency service compared to existing hourly.
- **Service 87** – The consultation material erroneously suggested a reduction in service to every 20 minutes during the weekday. No frequency in reduction is planned. A proposed change via Archer Road is still being progressed in response to earlier passenger requests, notwithstanding frontage objections
- **Service 57 / Supertram link SL** – Service operations across the Stocksbridge area are being reviewed in the light of the comments made, it is proposed that services will be remained broadly on their existing routes
- **Service 44** - Issues with loss of service on the number 44 bus in the evenings, the PTE will provide a tendered service in the daytime and evening.
- **Services 75 and 76** – routing options in the area of the Northern General and Flower Estate are still being reviewed

6.5 The consultation response from “Passenger Focus” is worthy of mention, they were supportive of the overall approach to the consultation exercise and the methodology for subsequent review.

6.6 Overall, many of the issues noted also refer to existing unreliable service operation by First and fears that any new service changes will not result in improved performance. First have recognised past problems and responded by restructuring their local / regional management team.

## 7.0 IMPLICATIONS

### Financial

7.1 The Voluntary Partnership option discussions have been based on a commitment to retain existing levels of tendered service and concessionary funding, whilst at the same time introducing stability to the areas of budget which SYPTE are most exposed to uncontrolled change.

7.2 Formal signing of the Partnership Agreement will be conditional upon

the City Council and SYITA agreeing to allocate capital programme funding to bus related interventions, and the creation of a five-year programme to support this. Funding already exists through

- The Local Transport Plan (LTP) within which allocations already exist for individual corridors and for city-wide programmes;
- Pre-agreed allocations within the Better Buses Area Fund, a two-year grant provided by Government to SYITA;
- Approved measures within the existing Phase 1 of the Local Sustainable Transport Funds (LSTF); and importantly
- The recently announced award of significant further funding for “main” South Yorkshire LSTF programme, which includes a range of bus related, traffic management and “modal shift” measures

### Equal Opportunities

- 7.3 Fundamentally the Bus Agreement will be of universal benefit to all users regardless of age, race, faith, sex, disability, sexuality, etc. However, it will be of particular benefit to certain groups including the young, elderly, disabled and their carers, the partners have undertaken an Equality Impact Assessment. Investment in vehicles and highway infrastructure will take into consideration the needs of users with reduced mobility, including people with visual impairments, and incorporated measures such as tactile paving where appropriate.

### Legal and Freedom of Information Act

- 7.4 The PTE, on behalf of the Partnership, have prepared a Competition Test paper to demonstrate that the VPA meets the public interest test set out in Part 2 of Schedule 10 to the 2000 Act.

### Environmental

- 7.5 On 11 July 2012, Cabinet approved the **Sheffield Air Quality Action Plan** (AQAP). The Plan describes issues relating to air quality and recognises the problems created by emissions from all categories of motorised traffic, with particular problems areas being busy roads (especially where the annual average daily traffic flow is greater than 17,000 vehicles per day) and busy junctions, as well as certain city centre locations affected by high levels of nitrogen dioxide, where bus traffic is a contributory factor.
- 7.6 Public consultation on the AQAP in 2011 showed strong support for the Plan’s aspirations to (1) reduce emissions from traffic, (2) encourage public transport use and (3) promote improvements in engine technology and the use of less polluting fuels. Respondents identified and ranked the following activities in order of preference (top three):
- Smarter Choices, to influence travel behaviour
  - City Centre Low Emission Zone
  - Sustainable Transport Policies
- 7.7 In addition to considering the problems of overall traffic volumes and the problems caused by heavy goods vehicles, the paper notes that one way to achieve air quality improvements would be through

improvements in the bus fleet, and one way to achieve that would be by agreement with bus operators through a partnership scheme. This would involve investment from the bus companies, City Council and Passenger Transport Executive to improve the environmental performance of the fleet.

- 7.8 The Bus Partnership recognises the importance of a lower-emission bus fleet, including in order to improve city centre air quality and to help with the promotion of smarter/sustainable travel choices.
- 7.9 It is important, however, that bus operators are not targeted disproportionately or without evidence to back up any proposed interventions. The AQAP recognizes this and stresses the need for further research to provide an evidence-based approach. For example, nationally there has been a general expectation that cleaner engine technologies (newer Euro standards) would lead to some improvement in air quality. However, this has not been observed either in Sheffield or other urban areas. This is thought to be related to the actual on-road performance of diesel road vehicles when compared with test bed calculations.
- 7.10 Further research will include the detailed feasibility/modelling study that is being undertaken to demonstrate the costs and potential air quality improvements of introducing a Low Emission Zone (see the AQAP report).
- 7.11 For these reasons, the AQAP 2015 is the first report in a three year rolling programme. It will be reviewed and updated shortly following completion of the Low Emission Zone feasibility study, due in Autumn 2012, and again in 2014 as the research and evidence-base is developed. The results of this will feed into the monitoring and review process for the Bus Partnership and may lead to agreement on amended measures and timescales.

#### Community Safety

- 7.12 The Bus Agreement would be neutral or provide a positive indirect contribution to Community Safety through better operated and more stable bus services. Investment in infrastructure, including improved facilities and lighting at all bus stops (linked to associated PFI measures) will also contribute.

#### Human Rights

- 7.13 The rights of any affected parties under the Human Rights Act 1998, particularly Article 1 of the First Protocol, have been taken into account. Having regard to the public interest and the improvements the scheme will bring to the transport network, the proposed alterations to the highway network and to private means of access do not constitute an unlawful interference with any of these rights, nor do the acquisitions constitute an unlawful interference with any of these rights.

**8.0 REASONS FOR RECOMMENDATIONS**

- 8.1 Improved Public Transport will contribute to the objectives of 'Standing up for Sheffield' and the Sheffield City Region Transport Strategy.

**9.0 RECOMMENDATIONS**

- 9.1 That Members note the results of the public consultation and work to date on the options for delivering a new Bus Agreement for Sheffield;
- 9.2 That the City Council endorse the Voluntary Partnership Agreement option as the preferred delivery vehicle at the present time (noting that SYPTE work on the Quality Contract option is to be suspended to allow the Partnership Agreement to progress);
- 9.3 That the City Council agree to the principle of being a co-signatory to the Sheffield Bus Agreement and endorse further work to facilitate a city-wide launch in October 2012.

Simon Green  
Executive Director of Place

06 August 2012

## APPENDIX 1 – CURRENT PASSENGER SATISFACTION ISSUES

A1.3 In Sheffield there is a marked difference between the two main bus operations, these can be characterised as follows:

- First – the main Operator with around 60% of Sheffield bus services, providing both frequent main road services and a less frequent but comprehensive network penetrating into residential areas.
- This secondary network amounts to around 40% of their high frequency network. The secondary network typically attracts lower patronage and lower income, which has led First to maintain higher ticket prices (e.g. First Day Sheffield £4.60) to fund its secondary network.
- This pattern has characterised First's history, as has struggled to afford its customer offer and maintain profit margins, and as a result, has repeatedly increased fares and reduced network, both of which have resulted in reputational damage.
- Stagecoach – As the secondary Operator, offering around 30% of Sheffield's bus services, Stagecoach operate a predominantly main road network (their lower frequency services amount to around 11% of their high frequency network), with less hours of operation.
- This more limited network and timetable means that Stagecoach offer customers a considerably cheaper travel option (e.g. Sheffield Bus Day Rider £3.40, Bus and Tram £3.90) and carry a passenger volume in excess of their market share.
- Stagecoach not only compete on price but quality, they have built a solid reputation (when compared to First or Yorkshire Terrier), and have progressively expanded since they entered the market in late 2005.

A1.2 The implication of the above has been that by providing a better customer offer (during the daytime) on the busier main corridors, Stagecoach have been attracting customers from First and in so doing they have reduced First's ability to cross-subsidise between the better used services and those which are commercial (at a higher fare value) but socially important.

A1.3 In an ideal world the high frequency main road services would support a similar level of secondary network, but under the free market the current arrangements place the secondary network at significant risk – and public authorities have not previously had the powers to intervene.



APPENDIX 2 – OPTIO ORANGE AND RED

- A2.1 Optio Orange and Red were introduced in Sheffield in July and October 2011 respectively, against a background decline in bus patronage. These pilot schemes have allowed the partnership to trial new ideas, learn lessons for future phases (e.g. consultation) and evidence success. This has led to growth of +1.9% for Orange services (Period 5-10) and +5.16% for Red (Period 8-10), although growth has fallen in 2012 due to weather, holidays and market conditions.
- A2.2 As well as co-ordinated timetables, more flexible ticketing, bus investment and marketing, other measures of success contributing to this growth include:
- Punctuality and reliability are higher than other Sheffield services and are better than achieved by the Optio services during the same 3/6 months in the previous year. There is still work to do to further improve delivery and the Partners are collaborating on this.
  - Mystery Shopper audits show higher standards of service than the average across Sheffield or South Yorkshire.
- A2.3 As well as increasing patronage, Optio Orange service users are overall positive about the bus service offer, whereas across Sheffield and South Yorkshire they remain negative overall. The exception to the above is from the Fulwood community who continue to be unhappy with the Optio Orange changes, notwithstanding steps to address or mitigate their concerns.
- A2.4 One of the issues was that, because the Fulwood end of the service changed from Stagecoach to First and the ticket did not cover Supertram, inter-availability of ticketing worsened for significant number of people. This work, whilst not addressing the differing market dynamic between First and Stagecoach, did prove that collaboration and inter-availability of ticketing were achievable, advantages which had previously proven to be elusive through negotiation.

## APPENDIX 3 – DETAILED ASPECTS OF THE SHEFFIELD AGREEMENT

The current state of play across the six main “work packages” can be described as follows:

### Network

Discussions have resulted in broad agreement on a network at an officer level, based largely around the existing network but with local variation, to reduce the volume of buses where demand does not justify overbussing and increases in frequency on a number of corridors where current service is lower than found in other parts of the City. It was heavily influenced by the Bus Vision consultation undertaken in the summer of 2010. A key element of this Work Package is not only to offer a good bus network better linking people to jobs, training and facilities, but importantly also bringing stability to the market and in doing so making the network easier to understand.

Stagecoach are interested in retaining a network largely based on expanding their existing network, but are open to operate more routes. To activate a long term sustainable business (with more cost attractive ticketing), First have made clear which parts of the network they wish to retain, a proportion of which they wish to share with other Operators as they are less profitable.

### Investment

The proposed Investment Plan will cover a five year period from October 2012 – 2017. It will cover all partners – operators and SCC and SYPTE investment, as a demonstration of commitment to Partnership and because all have a role to play in raising quality standards to make a step-change in improving the all-round door-to-door customer experience. An annual review mechanism will monitor progress against these standards and agree new investment requirements.

For Operators, the Investment Plan will include agreed timescales for:

- vehicles being low-floor and fully DDA-compliant in advance of national timescales;
- Smartcard-compatible ticketing machines;
- tracking systems that link with traffic management systems to help late-running buses and also with real-time public information systems;
- improving emission levels through ‘Drive Green’ systems; the Eco Stars award system; and improving/newer engine technology;
- reducing the age of the fleet - towards achieving a recommended national level.

The Partners are now in a position to agree realistic but ambitious timescales for new and newer buses, with all vehicles to a minimum standard of DDA-compliance; Euro 3 engines or better; smart card ticketing; and fully-operational tracking systems.

For SCC/SYPTE, the Investment Plan will include agreed timescales for:

- coordination with the Highways PFI Core Period programme so far as possible;
- a 5-year bus hotspots programme;
- measures to improve on-street bus performance on the Ecclesall Road corridor, with similar measures on the City Centre-Woodhouse (Optio Red) and City Centre to Halfway (Optio Orange) corridors;
- the Bus Rapid Transit (BRT) Northern Route;
- new Interchange facilities as appropriate geared to the opening of new City Centre retail development (e.g. the Markets; NRQ);
- a city-wide programme of updating on-street signs and lines to enable 100% enforceability;
- roll-out of the innovative management regime of mobile and re-locatable cameras, supplementing an enhanced programme of permanent fixed location cameras to enforce bus priority facilities and Traffic Control strategies;
- an enhanced real-time information and incident management system through the South Yorkshire Intelligent Transport System (syITS);
- an enhanced programme of bus stop infrastructure incorporating real-time information (to be agreed once real-time is working better & consideration has been given to how the displays can be used as a more advanced communications tool);
- DDA-compliant kerbs, tactile paving and clearways at all bus stops, as part of a programme of “reasonable adjustments” to meet DDA regulations by 2017 at the latest;
- consideration of enhanced street lighting at all bus stops.

Some of these interventions are funded through LSTF and the Better Buses Area Fund and carry with them short delivery timescales).

### Ticketing

The ticket discussions (aimed at introducing a simplified ticket range offering more affordable fares to customers) are focussed on improving the multi-operator Travelmaster range of products - with Operators free to maintain their own ranges. The advantages of going through Travelmaster are that it allows more influence over future price rises, encompasses Supertram and other Operators, encourages the move to ‘Smart’ and has a moderating effect on individual Operator price rises/fare levels.

Although Operators remain free to retain their own tickets, negotiations have achieved a significant 14% reduction in “day city-wide Travelmaster” tickets (from £5.00 to £4.30) with even greater reductions in weekly and monthly products (over 20%).

The principal operators both have smartcard-compatible ticketing machines (smaller operators will be encouraged to partake in this) that can be used with the current national concessionary ticket scheme (ENCTS). 98% of ENCTS cards are now “read” by Stagecoach machines, A separate “Better Buses” funded project will roll this out to other existing cards (e.g. Megacards) and develop new products and sales methods.

### Information & Marketing

It is proposed to jointly agree information and marketing material, to help both existing and potential customers know the travel options on offer and understand that it is now easier and more cost attractive to use the bus, but at present work is focusing on branding and consultation activities linked to the possible network and ticket changes. There will be a single Sheffield bus/tram network map, something we haven't had since the 1980's

### Business Management

It is intended that the Partnership will be supported by a Legal Agreement. To pave the way for this, a "Heads of Terms" document is proposed and the SYITA have authorised the Chairman to sign this document. The target implementation date is the 28 October 2012 service change date. It will also be necessary for Sheffield City Council to approve entering into the VPA.



# Sheffield City Council Equality Impact Assessment



[Guidance for completing this form is available on the intranet](#)

Help is also available by selecting the grey area and pressing the F1 key

**Name of policy/project/decision:** Sheffield Bus Agreement

**Status of policy/project/decision:** New

**Name of person(s) writing EIA:** Cate Jockel

**Date:** 26.07.12

**Service:** Development Services

**Portfolio:** Place

**What are the brief aims of the policy/project/decision?** To improve the bus offer in Sheffield for all customers in order to increase patronage and support economic growth. Through a better co-ordinated service with improved accessibility (physical, information, etc).

**Are there any potential Council staffing implications, include workforce diversity?** No

Under the [Public Sector Equality Duty](#), we have to pay due regard to: “Eliminate discrimination, harassment and victimisation, advance equality of opportunity and foster good relations.” [More information is available on the council website](#)

Areas of possible impact	Impact	Impact level	Explanation and evidence (Details of data, reports, feedback or consultations. This should be proportionate to the impact.)
Age	Positive	High	Elderly will benefit from accessibility improvements in particular, but also have lower car ownership/use than the general population. Likewise younger people, who will be better able to access employment and training opportunities.
Disability	Positive	High	Newer buses will mean the introduction of DDA-compliant buses into the fleet prior to the legal deadline. Alongside bus stop improvements to provide level boarding and tactiles, the bus will enable increasing social inclusion.
Pregnancy/maternity	Positive	Low	Bus services will be easier to understand and use, with co-ordinated timetables, multi-operator ticketing, more accessible vehicles and infrastructure and better information.
Race	Positive	Low	Bus services will be easier to understand and use, with co-ordinated timetables, multi-operator ticketing, more accessible vehicles and infrastructure and better information.
Religion/belief	Positive	Low	Bus services will be easier to understand and use, with co-ordinated timetables, multi-operator ticketing, more accessible vehicles and infrastructure and better

<b>Areas of possible impact</b>	<b>Impact</b>	<b>Impact level</b>	<b>Explanation and evidence (Details of data, reports, feedback or consultations. This should be proportionate to the impact.)</b>
			information.
<b>Sex</b>	Positive	Low	Bus services will be easier to understand and use, with co-ordinated timetables, multi-operator ticketing, more accessible vehicles and infrastructure and better information.
<b>Sexual orientation</b>	Positive	Low	Bus services will be easier to understand and use, with co-ordinated timetables, multi-operator ticketing, more accessible vehicles and infrastructure and better information.
<b>Transgender</b>	Positive	Low	Bus services will be easier to understand and use, with co-ordinated timetables, multi-operator ticketing, more accessible vehicles and infrastructure and better information.
<b>Carers</b>	Positive	High	Newer buses will mean the introduction of DDA-compliant buses into the fleet prior to the legal deadline. Alongside bus stop improvements to provide level boarding and tactiles, the bus will enable increasing social inclusion, including for carers of young children as well as disabled people.
<b>Voluntary, community &amp; faith sector</b>	Positive	Low	Bus services will be easier to understand and use, with co-ordinated timetables, multi-operator ticketing, more accessible vehicles and infrastructure and better information.
<b>Financial inclusion, poverty, social justice:</b>	Positive	High	Bus services will be easier to understand and use, with co-ordinated timetables, multi-operator ticketing, more accessible vehicles and infrastructure and better information. Reliability should be improved. Younger people, who have lower car ownership/use than the general population, will be better able to access employment and training opportunities.
<b>Cohesion:</b>	Positive	Low	Bus services will be easier to understand and use, with co-ordinated timetables, multi-operator ticketing, more accessible vehicles and infrastructure and better information.
<b>Other/additional:</b>	-Select-	-Select-	

**Overall summary of possible impact (to be used on EMT, cabinet reports etc):**

Fundamentally this proposal is positive for all Sheffield people regardless of age, sex, race, faith, disability, sexuality, etc. However, it is particularly positive for more vulnerable

members of society such as the young, the elderly, the disabled and carers. No negative equality impacts have been identified.

City-wide consultation has been carried out and the results are included in the report. There are a few areas where bus services have been struggling to survive and where it was proposed that a service should not continue. The reaction to this, and subsequent mitigation proposed, is in the report.

If you have identified significant change, med or high negative outcomes or for example the impact is on specialist provision relating to the groups above, or there is cumulative impact you **must** complete the action plan.

**Review date:** The Agreement will include a comprehensive Monitoring Plan.

**Q Tier Ref** / **Reference number:** /

**Entered on Qtier:** No **Action plan needed:** No

**Approved (Lead Manager):** Cate Jockel **Date:** 07/08/12

**Approved (EIA Lead person for Portfolio):** Ian Oldershaw **Date:** 07/08/12

**Does the proposal/ decision impact on or relate to specialist provision:** no

**Risk rating:** Low

## Action plan

Area of impact	Action and mitigation	Lead, timescale and how it will be monitored/reviewed
All groups		
-Select-		
-Select-		
-Select-		
-Select-		
-Select-		
-Select-		
-Select-		
-Select-		
-Select-		
-Select-		



Area of impact	Action and mitigation	Lead, timescale and how it will be monitored/reviewed
-Select-		

**Approved (Lead Manager):**                      **Date:**

**Approved (EIA Lead Officer for Portfolio):**                      **Date:**

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