

To: Folkestone and Hythe Joint Transportation Board (JTB)

By: Kent County Council – Highways & Transportation

Date: 26th February 2024

Subject: Kent Bus Service Improvement Plan and National Bus Strategy Funding Update

Classification: Information Only

Summary: This report provides an update on Kent's response to the National Bus Strategy (NBS). The report recaps on the history of the NBS, explains how this links to Kent's related Enhanced Partnership (EP) and Bus Service improvement Plan (BSIP), provides a progress report on the 23/24 BSIP programme and identifies the latest updates to the Government's NBS agenda.

1 Background & History

- 1.1 In March 2021, the Government published a new National Bus Strategy (NBS) which set out a blueprint for the improvement of all aspects of bus service provision inclusive of both service levels themselves but also extending to infrastructure, ticketing, innovation, information, vehicle, accessibility and environmental considerations.
- 1.2 At the time of publication, Government stated that £3bn would be made available to support the strategy, although this figure was subsequently reduced to £1.2bn, reflecting its use for existing commitments and expenditure linked to the Covid-19 pandemic.
- 1.3 In order to be able to access this funding and to protect existing funding streams, the NBS placed a number of requirements on Kent County Council (KCC) and bus operators. By the end of October 2021, KCC had to publish a Bus Service Improvement Plan (BSIP) and by April 2022, KCC and bus operators were required to form Enhanced Partnership Agreements (EPs) governing all bus services in the area and setting out commitments on KCC and operators.
- 1.4 In response to the strategy and to align with its ambitions KCC, in conjunction with operators, submitted its BSIP at the end of October 2021, with a total funding ask of £213m over a three-year period. The submission followed a significant public

engagement exercise and liaison with representatives nominated by each of Kent's Borough Councils. KCC also worked with operators to introduce an EP for the county which came into effect from 1st April 2022. All documents can be found at [National Bus Strategy - Kent County Council](#)

- 1.5 On 4th April 2022, shortly after introducing its EP in line with Government guidance, KCC learnt that it had received an indicative allocation of £35.1m in response to its BSIP. Whilst the allocation was significantly less than the £213m requested and would not deliver the level of ambition contained within Kent's BSIP, wider context is important which showed that, of 79 LTAs which submitted a BSIP, only 31 received any allocation.
- 1.6 There were a number of conditions attached to the indicative funding allocation, including:
 - A requirement that funding was directed to particular initiative areas – namely fares and bus service support for revenue spend and bus priority measures for capital spend.
 - A requirement that funding could not be used to sustain existing unviable commercial or contracted services. Although the rules in this respect were subsequently relaxed, this point is important given wider industry pressures where a number of services had become unviable following reduced patronage, increased parts cost, driver shortages etc following the Covid- 19 pandemic.
- 1.7 Taking into account the above restrictions and working to a tight deadline, KCC submitted a proposal to DfT for how the funding would be utilised in line with its BSIP. Following this engagement, no formal funding offer was received by KCC until February 2023. The delay was attributed to a wide financial review taking place across central Government.
- 1.8 In February 2023, KCC was formally offered two years worth of its original indicative funding allocation, on the condition that an accelerated delivery programme would be progressed (effectively requiring the delivery of two years of Kent's BSIP programme in one financial year). KCC subsequently worked quickly with the DfT to agree this delivery programme which has subsequently seen a range of capital and revenue initiatives progressed during the 23/24 financial year, at a total value of £18.9m. A formal decision was taken by the KCC Cabinet Member for Highways and Transport for the acceptance of the funding and the proposed usage profile.

2. 23/24 Formal Funding Award

- 2.1 The formal award of Tranche 1 funding totalling £18.9m was a positive development for buses in Kent and has allowed the progression of a number of key initiatives to support buses in 2023/24. It is important to note however that the use of the funding is very prescriptive and must be spent on an initiative list agreed through the accelerated award process with DfT. Due to the accelerated nature of the award, there was a need to identify initiatives which had the best chance of

rapid delivery – e.g. bus priority schemes which already had outline designs such as the Rennie Drive bus priority scheme in Dartford. Over 2/3 of funding is capital in nature which places further restrictions on use. A breakdown of the £18.9m allocation can be seen in figure 1.1

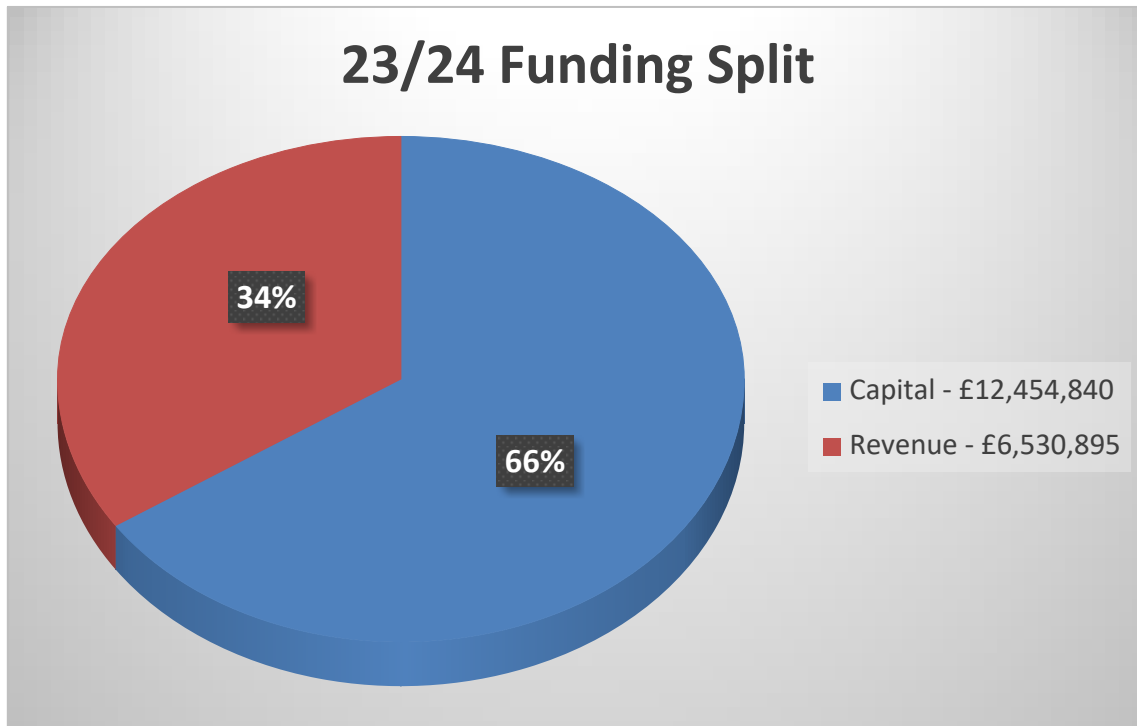


Fig 1.1 – BSIP Tranche 1 Funding

- 2.2 As part of the award, the conditions attached to the original indicative funding allocation (see 1.6) still applied, however KCC was able to negotiate some flexibility around the use of network and fares funding totalling £5m as part of the process allowing KCC to a) hold the cost of the Kent Travel Saver (KTS) pass for the 23/24 academic year and to b) sustain a number of school services across the county which would have otherwise faced commercial withdrawal.
- 2.3 The funding provided through a combination of BSIP and BSIP+ (which is essentially post pandemic bus support) has proved vital in enabling KCC to work with operators and protect parts of the network that were at risk of cancellation. To date, 49 services, including many in Folkestone and Hythe have been protected using this funding as they would not otherwise be operating owing to the ongoing National challenge relating to decreased bus use and increased operating costs that is affecting bus service viability.
- 2.4 The ability to support these services is considered to be a positive and vital use of this element of the BSIP funding. However, the scale of service withdrawals does mean that KCC have had to prioritise its use and has not been able to protect all services at risk of withdrawal. It does also mean that the revenue funding available has been exhausted and there is not currently any capacity to consider future enhancements.

- 2.5. A summary of services operating in the Folkestone and Hythe District that are now supported through KCC and Government funding pots is included as Appendix A.

3. 23/24 BSIP Programme

- 3.1 A list of initiatives funded through BSIP Tranche 1 and their values is included as Appendix B. The majority of initiatives have a countywide benefit but where there is a specific benefit to the Folkestone and Hythe this has been identified.
- 3.2 Since the funding award, KCC officers have been rolling out the 2023/24 BSIP programme at pace, whilst ensuring that usual corporate and statutory processes have followed.
- 3.4 Where required, KCC will be working with the DfT through their Project Adjustment Request (PAR) process to make changes to the delivery timescales linked to a number of initiatives to ensure that they can be delivered to completion.

4. BSIP Tranche 2 Funding (2024/25)

- 4.1 In June 2023, the Government outlined that KCC could expect to receive further BSIP funding for 2024/25, totalling £16.1m. This funding will once again be subject to the terms and conditions referenced above and will see approximately 2/3 of the funding available being capital in nature. A Key Decision for the acceptance of the funding was taken by KCC's Cabinet Member for Highways and Transport in December 2023 and formal paperwork is now awaited from the DfT in order to facilitate the completion of the award process.

- 4.2 A proposed usage profile for BSIP Tranche 2 funding was agreed by Kent's Enhanced Partnership Board (EPB). Delivery of the programme will only commence once funding is finalised but can be summarised as follows:

- ***Bus Priority Scheme – Bean Road Tunnels - £9.5m Capital***

The progression of a major bus priority scheme in the Ebbsfleet area, linking Bluewater bus station with the Eastern Quarry development.

- ***Further Bus Priority Measures - £1.5m Capital***

The progression of bus priority measures identified through Kent's bus Punctuality Improvement Partnerships (PIPs). These measures look to address reliability issues identified by operators where a reciprocal benefit can be delivered. Feasibility work and modelling to identify potential sites is taking place utilising tranche 1 BSIP funding.

- ***RTI Screens and Wider Technological Trials at Bus Stops - £600k Capital***

Using a bus stop hierarchy produced as part of BSIP tranche 1, further RTI screens will be delivered at key bus stop locations across Kent. Trials of further

technology (e.g. solar lighting to improve safety at bus stops) will be progressed at some locations.

- ***ANPR Enforcement - £104k – Capital***

The progression of ANPR enforcement at identified sites across the county. This will build on the existing programme of sites being progressed utilising tranche 1 BSIP funding. An update is included as a separate item on this agenda – *“Implementation of the 2004 Traffic Management Act, Part 6 covering enforcement of moving traffic offences”*

- ***Fares and Ticketing initiatives - £3.2m – Revenue***

The progression of a programme of fares and ticketing initiatives across 24/25 including a scheme related to the Kent Traver Saver (KTS) pass.

- ***Multi Operator Ticketing Scheme - £179.5k – Revenue***

The delivery of a countywide multi operator ticketing scheme.

- ***Service Support - £1.0m – Revenue***

Will facilitate the continued support of services supported using BSIP tranche 1 – i.e. identified school services which would have otherwise faced commercial withdrawal.

4.3 In January 2024, the Government released further guidance on BSIPs which will see KCC publish an update to its BSIP in summer 2024.

5. Opportunities for Engagement

5.1 Kent’s approach to BSIP was informed by an extensive public and stakeholder engagement process which led to the proposed initiatives detailed within Kent’s BSIP submission. As Kent’s funding envelope became clearer, this initiative programme was evolved to ensure that it was deliverable given the funding and timescales available but that it was also in line with the initial engagement process.

5.2 As part of the establishment of its Enhanced Partnership Schemes, KCC established a meeting hierarchy to ensure statutory compliance and to offer continued opportunities for engagement.

5.3 An Enhanced Partnership Board (EPB) is in operation which works to a formal process established by the DfT, has representation from both statutory partners (KCC and operators) and makes decisions on changes to content within Kent’s EPs.

- 5.4 Under the EPB are Enhanced Partnership Scheme Monitoring Groups (EPSMGs) which are in operation for each EP area – East Kent, West Kent and Kent Thameside. All Districts (through a representative nominated by the District concerned) in the relevant EP area are invited to these meetings. EPSMG meetings provide an opportunity for updates on the BSIP and for raising suggestions for new / changes to commitments in Kent's EPs.
- 5.5 KCC and operators have also committed to supporting more localised dialogue with District Councils through District Focus Groups which we have suggested that Districts might want to form. The agenda, frequency, and formality of these are for Districts to determine but they are thought of as a forum to discuss more local matters affecting bus, such as planning developments, parking issues and other operational matters.

6. Recommendation

- 6.1 This report is provided to Members for information.

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