

7th January 2020

Re: Doing Buses Differently consultation.¹

Thank you for the opportunity to respond to the 'Doing Buses Differently' consultation. Please see below for the response from Manchester Friends of the Earth.

Manchester Friends of the Earth is an award-winning environmental campaign group, raising awareness and lobbying for policy changes at a local, regional, national and international level.²

Manchester Friends of the Earth's vision is that Greater Manchester is a thriving, zero-carbon and zero-waste region, with happy, healthy, actively engaged, Carbon Literate citizens. People live in warm homes, with jobs and services nearby, and most of us choose to get around on foot, bicycle or the region's affordable, integrated public transport system.

Manchester Friends of the Earth supports a publicly controlled bus network because the bus system is simply not working well for people in Greater Manchester. Buses are expensive and serve fewer people and fewer routes than in other parts of the country – especially London - where they are managed differently. Yet, bus company shareholders continue to receive substantial dividend payments. Public transport should be a public good - owned and managed for the collective benefit.

Three times more journeys are by bus than train and they are the main means of transport for the car-less quarter of the population. What we are seeing instead is bus fares rising 75% over the last 15 years, and over 3,300 services reduced or removed since 2010 in England and Wales.

In February 2019, Friends of the Earth, along with researchers at the think-tank Transport for Quality of Life released new research: *Transforming public transport: Regulation, spending and free buses for the under 30s*³.

¹ <https://greatermanchester-ca.gov.uk/what-we-do/transport/doing-buses-differently-consultation-on-proposed-franchising-scheme/>

² The group consists entirely of volunteers, and its campaigns are funded by membership fees and individual donations. Up-to-date information is available on the group's website: www.manchesterfoe.org.uk. Manchester Friends of the Earth is a Licensed Local Group of Friends of the Earth, England, Wales and Northern Ireland. www.foe.co.uk

³ <https://policy.friendsoftheearth.uk/sites/files/policy/documents/2019-02/free-buses-under-30s.pdf>

The findings highlighted that for climate change reasons at least a 20% reduction in car journeys is necessary by 2030, even with a faster switch to electric cars and a more rapid decarbonisation of the electricity grid. This reduction requires a radical re-imagining of transport which would also realise the numerous other benefits of traffic reduction, for example to public health.

Please note we have not answered every question in the formal consultation document and have also included broader comments relating to public transport, climate change emissions and environmental concerns.

Q2. Do you have any comments on the proposal that the Proposed Franchising Scheme should apply to the entirety of Greater Manchester

Manchester Friends of the Earth agrees that the scheme should cover the whole Greater Manchester area.

However, given that many people travel across the Greater Manchester boundaries from/to other local authority areas it would make more sense if bus regulation was applied at a national level, although we understand that this is outside of the scope of the current consultation.

Q4. Do you have any comments on the proposal that the Proposed Franchising Scheme would be split into three sub-areas and on the other arrangements proposed for the purposes of transition?

Manchester Friends of the Earth believes that the implementation timetable is too slow. As currently proposed, it will be late 2023, four years from now, before the franchise arrangements will operate in Area C.

We believe that people in Greater Manchester should not have to wait that long for a properly planned public bus service. We urge the Greater Manchester Combined Authority (GMCA) to introduce the proposed changes with a common date. Whilst this may require an increase in 'upfront' expenditure, it will also result in the benefits being realised earlier.

Q9. Do you have any comments on the proposals for how GMCA would consult on how well the Proposed Franchising Scheme is working?

Manchester Friends of the Earth believes that a strong passenger and citizen voice is vital to developing a better public transport service in Greater Manchester.

Current and potential bus passengers should not have to wait until after the first transitional franchises have expired before having opportunities to be consulted.

Q10. Do you have any comments on GMCA's plans for allowing small and medium sized operators the opportunity to be involved in the Proposed Franchising Scheme?

Manchester Friends of the Earth support the proposals to allow small and medium sized operators to be involved in the proposed bus franchising scheme.

Q12. The Strategic Case sets out the challenges facing the local bus market and says that it is not performing as well as it could. Do you have any comments on this?

Manchester Friends of the Earth supports a publicly controlled bus network because:

- the bus system is simply not working well for people in Greater Manchester. Buses are expensive and serve fewer people and fewer routes than in other parts of the country – especially London - where they are managed differently. Yet, bus company shareholders continue to receive substantial dividend payments. Public transport should be a public good - owned and managed for the collective benefit.
- the Local Government Association showed recently that bus journeys had fallen by 300 million in five years and that 69% of residents think local councils should be the main decision-makers on bus services.⁴
- people in Greater Manchester need a better bus network to enable them to take part in society: to get to work, the hospital, shops, public services and visit friends and family.

We strongly support the franchising scheme, which means public control of our buses.

Q13. The Strategic Case says that reforming the bus market is the right thing to do to address the challenges facing the local bus market.

To what extent do you agree or disagree with this?

Manchester Friends of the Earth strongly agrees with this because:

- we support taking control of our bus network, to give local authorities control of our bus routes, fares, and ticketing, so that the network as a whole can join up to make an integrated bus network that is more accountable to our community. Currently, the system appears to work for bus operators rather than bus passengers.

⁴ <https://www.local.gov.uk/about/news/bus-journeys-fall-more-300-million-five-years>

- we need a public transport system that has buses which are clean and green and accessible.
- we support region-wide standards of pay, conditions and pensions for drivers to be negotiated with Unions representing drivers, which represent over 8,000 workers in the region, so that drivers are respected for their hard work.⁵

Q14. Do you have any comments on GMCA's objectives for the future provision of bus services as set out in the Strategic Case?

Manchester Friends of the Earth welcomes the GMCA's objectives so far as they go. However, in the context of the air pollution, congestion, sustainable transport and climate change challenges facing the city we would argue that the GMCA's objectives are not sufficiently ambitious. Greater Manchester needs to achieve a significant modal shift from private motor vehicle use to active travel and public transport.

Q17. The Economic Case concludes that the Proposed Franchising Scheme provides the best value for money compared to the partnership options because it would:

Offer a 'high' ratio of benefits to the cost to GMCA, one which is broadly comparable with the partnership options, provide the most economic value (Net Present Value), and create the best platform from which further economic value could be delivered. Do you have any comments on this?

Currently, public money makes up 40% of bus company revenue, yet we have no control over fares, the vast majority of routes and timetables. And 10% of that public money is leaked as dividends.

Public control means we take all the fare revenue and give bus companies contracts, halving their profit margins, so that public money is used for buses over shareholders.⁶

Public control also means that profits from busy routes can be used to pay for socially necessary routes, rather than simply adding to company profits. Research showed that

⁵ See Deregulation in Britain resulted in a 'race to the bottom' (Transport for Quality of Life, Building a World-class Bus System for Britain, es.5 https://www.transportforqualityoflife.com/u/files/160120_Building_a_world-class_bus_system_for_Britain_FINAL1.pdf

⁶ See Transport for Quality of Life, Building a World-class Bus System for Britain, es.7 https://www.transportforqualityoflife.com/u/files/160120_Building_a_world-class_bus_system_for_Britain_FINAL1.pdf

95% of people in GM supported the idea of subsidising bus routes which are unprofitable but necessary for the public good.⁷

Manchester Friends of the Earth believes that this will deliver a better bus network.

Q30. The Financial Case concludes that GMCA could afford to introduce and operate the Proposed Franchising Scheme. After completing the Assessment and in advance of this consultation, GMCA has proposed how it would fund the introduction of a fully franchised system. Do you have any comments on these matters?

Manchester Friends of the Earth believes that the outlined costs, with the vast majority coming from local authorities, and a total of £14 council tax increase for the average household spread over 6 years to 2025, represent a good investment – particularly when considering the urgent need to tackle the impact and costs from the transport sector on public health and climate change emissions.⁸ The proposed costs will help deliver a better bus network with much better value for the public money.⁹

Q44. GMCA's draft Equality Impact Assessment identifies the potential of the Proposed Franchising Scheme on persons with protected impact characteristics. Do you have any comments on it?

Manchester Friends of the Earth agrees with the Equality Impact Assessment which indicates that older and/or disabled people, many of whom also have physical and/or sensory impairments, will benefit from bringing the buses back into public control through franchising

An infrequent and fragmented bus service often results in many older and/or disabled people finding it difficult (or impossible) to visit friends and family, go shopping, get to work or attend cultural events, leading to a situation where they can become isolated in their homes, lonely and with deteriorating physical and psychological well-being.

Public control of the bus service, via bus franchising, could improve the bus network in terms of frequency, reliability and safety, which will benefit all – young or old.

⁷ <https://www.abellio.com/news/people-manchester-we-want-better-bus-service>

⁸ See A net zero carbon budget for the whole transport sector <https://policy.friendsoftheearth.uk/insight/net-zero-carbon-budget-whole-transport-sector> A new analysis shows that the DfT's continued failure to curb emissions will lead to the UK breaching existing carbon budgets over the next decade, even before budgets are tightened on the pathway to net zero. Radical action to cut emissions from road transport and aviation over the next decade and beyond are needed. This will require DfT to constrain demand for road and air travel.

⁹ https://issuu.com/greatermcr/docs/greater_manchester_proposed_bus_franchising_scheme/18

Q45. To what extent do you support or oppose the introduction of the Proposed Franchising Scheme? Why do you say this?

Manchester Friends of the Earth strongly supports the introduction of the Proposed Franchising Scheme.

Bus franchising is the only option that allows cross subsidy from popular/profitable routes to support less busy/unprofitable routes. The alternative, Voluntary Partnership, leaves such key decisions with bus companies. Changes will only be made to the extent that they deem it in their interests. Greater Manchester need a public transport system that can put the needs and interests of GM's people first.

The additional expenditure over that for the Voluntary Partnership is not large: £25 million (£122 million compared to £97 million) over the five-year implementation period. This represents £5 million per year, or £500k per council area, or £4.34 per household per year.¹⁰

The economic assessment indicates a better return from franchising in terms of economic, social and environmental benefit than from either partnership model. Buses are hugely important to our lives and we have a huge opportunity to transform them so that they work for us as citizens.

Manchester Friends of the Earth
7th January 2020

¹⁰ source: TfGM Franchising paper, executive summary, page 23