

FREE BUS TRAVEL FOR UNDER-25S

SCOTTISH LABOUR PARTY DEBATE
Colin Smyth MSP S5M-16408

14:00, Wednesday 20 March 2019

1. Key Points

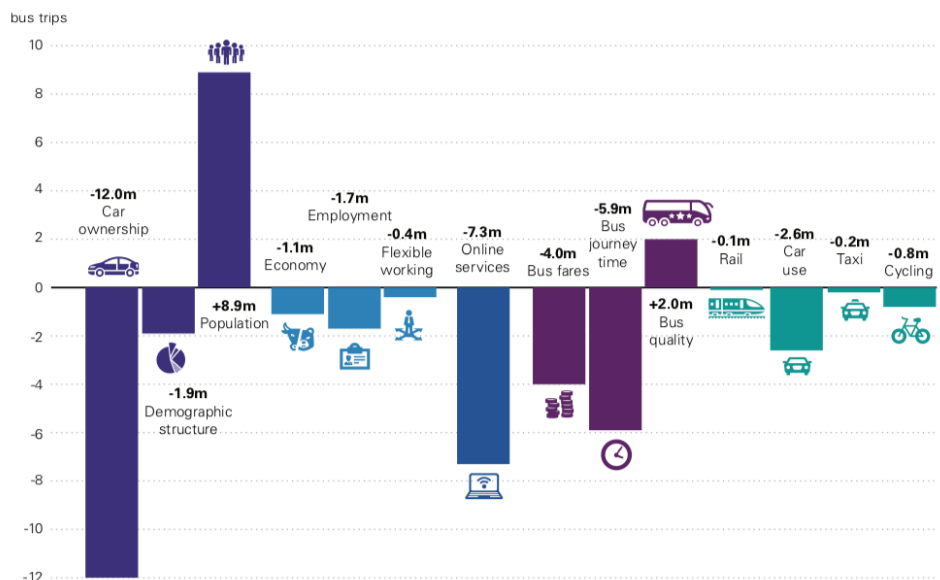
- We welcome the attention that this debate brings to the topic of declining bus patronage.
- We note that factors other than bus fares have been identified as having had greater impact on the decline of bus use (specifically: increases in car ownership; the greater use of online services; and increases in bus journey times) and that attention also needs to be brought to these matters.
- We note that the Transport (Scotland) Bill, while very beneficial in many ways, does not take the requisite action to reverse the decline in bus patronage.
- We note that investment in bus services has not kept up with the rapid increase in overall transport spending in recent years.

2. Explanatory factors for the decline in bus patronage.

The report 'Trends in Scottish Bus Patronage', carried out by KPMG for bus industry body CPT Scotland, and published in November 2017, reported 27 million fewer bus trips between 2011/12 and 2015/16 (a decline from 436m to 409m). The research highlighted the main 'drivers of change' as:

- Increased car ownership (leading to 12.0m fall in bus trips)
- Population increase (leading to a 8.9m increase)
- Online services (leading to a 7.3m fall)
- Bus fares (leading to a 4.0m fall)
- Bus journey times (leading to a 5.9m fall).

Drivers of change



3. The role of the Transport Bill in tackling the decline in bus use.

On 7 March, the Rural Economy and Connectivity Committee published its Stage 1 Report on the Transport (Scotland) Bill. The Committee is evidently not convinced that the draft Bill's proposals will address declining bus patronage. It highlights the need for improving and extending bus priorities, which featured in our evidence. It also "calls on the Scottish Government to consider

whether an appropriate quality assurance framework could be developed” for the industry; in our evidence, we had highlighted a need for standards or benchmarks of some kind.

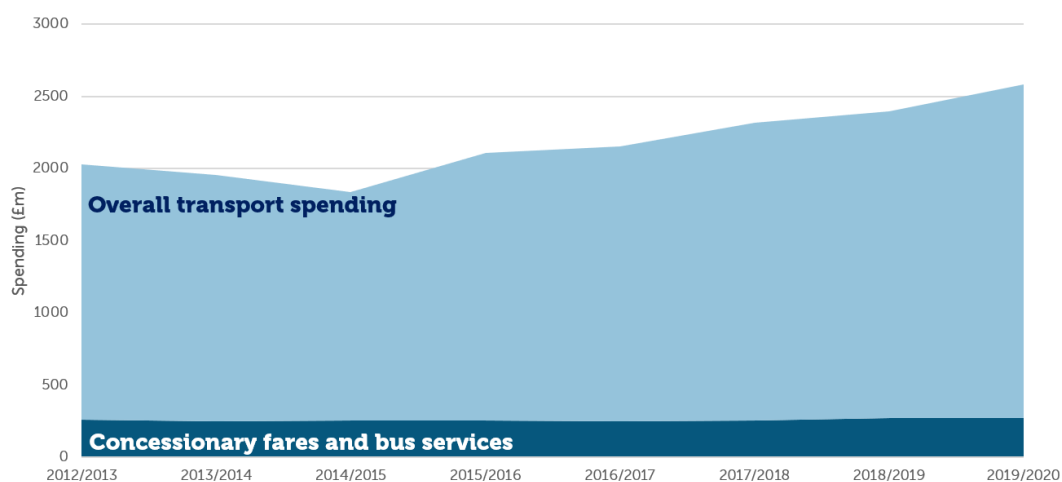
The Committee also recommends greater flexibility for local authorities to operate bus services than currently proposed; however, it is cautious about how readily this, Bus Service Improvement Partnerships, or franchising, will be taken up. We would concur with this analysis.

Our principal concern is that the Bill fails to address critical factors in declining bus patronage. These factors include: the impact of congestion on journey times, reliability and costs; the impact of parking; lifestyle changes e.g. online & out-of-town shopping, and potential future disruptive technologies; the relative low cost of car use; and declining revenue from government, against a background of rising costs.

While public ownership of buses may be appropriate in certain circumstances, we are not persuaded that this should be presented as a panacea. It is well established that bus patronage has been declining since at least 1960; and that this decline was unaffected by deregulation in the 1980s. Of approximately 15 publicly-owned operators in the UK which operate multiple routes, only 3 appear to have stabilised or increased patronage. Equally, some privately-owned operators have grown their market. Insofar as common factors have been identified for the successful bus operations, they appear to be: (i) Local highway policies; (ii) High quality management.

4. The need for investment in bus services.

Buses play a key role in alleviating congestion and air pollution, particularly in urban areas. The bus industry makes a major contribution to the Scottish economy: not only are two of the world’s largest bus operators headquartered in Scotland (FirstGroup and Stagecoach), we also have a world leader in the manufacturing of low-carbon buses (ADL). Furthermore, bus travel is disproportionately used by people on lower incomes, offering a vital means of accessing services and employment.



Providing free bus travel for the under-25s may have merit as a policy, but we would wish to see further evidence as to its likely impact. Whether this is indeed the best focus for investment, it would be certainly fair to identify that bus services has not been a focus for Scottish Government investment in recent years. **While the Scottish Budget for transport has increased by over 25% over the last seven years, investment in bus services has increased by only c. 5%** (and it should be noted that the bulk of the bus spend is reimbursements to operators for concessionary fares, rather than direct investment in services).

Scotland’s alliance for sustainable transport

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We campaign for walking, cycling and public transport to be the easiest and most affordable options for everyone. Our diverse membership brings together public, private and third sector organisations from across Scotland. We are a registered Scottish charity (SC041516).