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# Executive Decision

## Bus Network Optimisation Plan

Decision to be taken by:  
Deputy City Mayor Transport, Clean Air and Climate  
Emergency

Decision to be taken on: 12 December 2022

Lead director: Andrew L Smith  
Director of Planning, Development and Transportation

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### **Useful information**

- Ward(s) affected: All
- Report author: Andrew Gibbons
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- Report version number: 1

## **1. Summary**

To approve new formal partnership agreements between commercial bus operators, certified by the council using provisions under the Bus Services Act 2017 and Local Transport Act 2008. Agreements aim to contribute to better integrated and coordinated services on key routes into the city by reducing service duplication and bus 'bunching' at and between stops, thereby promoting bus travel and reducing harmful emissions from public transport.

## **2. Recommended actions/decision**

The Deputy City Mayor Transport, Clean Air and Climate Emergency

- a) Notes the progress with bus partnership integration work, including the bus network optimisation plan.
- b) Approves the certification of the relevant agreements proposed between bus operators that form part of proposed network optimisation plan.

## **3. Scrutiny / stakeholder engagement**

The wider bus Leicester Enhanced Bus Partnership Plan and Scheme was taken through EDTCE Scrutiny Committee on 31 August 2022. This included the partnership approach to better integrating the bus network across services commercially operated by different bus companies.

The Enhanced Bus Partnership was approved by Executive Decision on 7 April 2022.

## **4. Background and options with supporting evidence**

The Government published its National Bus Strategy on 15 March 2021. 'Bus Back Better' aims to make buses more frequent, more reliable, easier to understand and use, better co-ordinated and cheaper.

This states its desire to make buses more like London's, which have 'dramatically increased passenger numbers, reduced congestion, carbon and pollution, helped the disadvantaged and got motorists out of their cars'.

Significantly, it explicitly linked future revenue and capital funding to be dependent on having significantly stronger governance and regulation – either through a formal Enhanced Bus Partnership Scheme or by moving to a Franchising system.

An EDTT Scrutiny Task Group of 2018 considered bus operating options, noting that there was an opportunity for the Council to improve its bus services by working more closely

with local bus companies and concluding that the Enhanced Partnership model may offer some advantages over other approaches.

Initially Leicester City Council has elected to make an Enhanced Partnership with operators whilst simultaneously maintaining a firm interest in the Franchising option, should this formal Partnership route fail to deliver its ambitions in a timely way.

Following a research and engagement process laid out by the Department for Transport, the Leicester Enhanced Bus Partnership was drawn up and approved by both the City Council and bus operators on 7 April 2022, coming into effect from 1 May 2022. It has two parts – a Plan and a Scheme.

The published ‘Plan’ sets out the main issues and agreed priorities to transform bus travel and help in the fair and sustainable growth of Leicester. It puts forward the need for an intervention package of nearly £300m investment and a comprehensive range of actions by all the partners over an 8-year period up to 2030. This will enable the network to be fully electric, frequent, more reliable, easier to use and better value.

The published ‘Scheme’ sets out formal commitments of all bus operators with registered bus services in Leicester, together with the Council, to deliver a range of projects and changes over a 3-year period from April 2022 to March 2025. Unlike the Plan, the Scheme is binding on all parties, distinguishing it from the voluntary partnership arrangements previously in place.

The Plan includes a section on integration, setting out the customer and operator benefits of co-ordination across each operator’s commercial networks in a range of areas including:

- timetables and routes on shared corridors
- printed and electronic information
- fares and ticketing
- branding and promotion

The Scheme sets out a range of commitments to help meet these network integration aims by given milestone dates. This includes a review and recommended approach for network timetable and route co-ordination on main roads served by more than one bus route by April 2023.

## **5. Detailed report**

All Leicester’s bus operators together with the City Council established a formal Enhanced Bus Partnership from May 2022. This agreed an eight-year Enhanced Partnership Plan, together with a three year Enhanced Partnership Scheme with a range of joint commitments. Full details are on the partnership website

[www.leicesterbuses.co.uk](http://www.leicesterbuses.co.uk)

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- branding and promotions

The Scheme sets out a range of commitments to help meet these aims by given milestone dates.

The sections below set out:

- the progress made with these commitments over the past 6 months.
- a review and recommended approach for network timetable and route co-ordination on shared bus corridors. This is a specific Scheme commitment to implement by April 2023.

These two areas are looked at in tandem, since there are significant linked customer benefits involved from the whole package of integration measures being delivered.

### **Progress - Integration Commitments**

The table in Appendix 1 shows those Scheme commitments which will have a direct impact on promoting integration and their current progress status.

This shows that significant progress has already been made in promoting integration, with the exception of timetable co-ordination and resource efficiency on 'bus corridors' to the City Centre served by more than one bus operator.

### **Network optimisation review and proposal**

There has been continuous partnership work given to network optimisation across both commercial and tendered services since covid, taking into account the budgetary constraints of all parties.

This has resulted in various relatively minor changes over the past 6 months in relation to commercial service registrations and tendered service expansion to give a more stable network moving forward.

In addition, the following joint plan has emerged in relation to promoting network integration and optimisation on those bus corridors served by more than one operator as shown in Appendix 2.

This plan includes the formation of two separate voluntary agreements between Firstbus and Arriva and between Firstbus and Centrebus – covering co-ordination on four significant bus ‘corridors’, for a trial period until the end of March 2025.

Such network integration would be for a trial period, purely in support of the overall objectives as agreed within the approved Enhanced Partnership Plan, namely to:

- reduce bus ‘bunching’ through timetable co-ordination and rationalisation.
- improve operational frequency to the customer in both the peak and off peak and at weekends.
- improve reliability and journey times, particularly in the constrained City Centre
- simplify the network for the ease and understanding by public
- stabilise network changes – by establishing a sustainable integrated approach.
- accelerate investment in electric buses – through saved resources, complementary partnership improvements and network stability.

It is proposed that these agreements are certified as ‘qualifying agreements’ by Leicester City Council pursuant to Part 2 of Schedule 10 of the Transport Act 2000. This certification provides the operators with an exemption provision of the Competition Act which might otherwise prohibit such arrangements between operators, notwithstanding the benefits they deliver to passengers.

In order to certify these agreements, the Council needs to be satisfied that the agreements are in the interests of persons using local services within the City Council’s area, and that they do not impose restrictions that are not necessary to achieving bus improvement objectives. It believes that the agreements satisfy these requirements for the reasons set out below:

- they place no commercial restrictions on any other operator registering a bus service along this bus corridor.
- They place no commercial restriction on either operator operating other bus services which partially operate along this same corridor.
- They are open to amendment – with the required notice - to include allowing for co-ordination with any other new operator registering a service along this same corridor.
- They can be terminated by either party with 84 days notice.

The rationale for proposing this approach is set out below:

- The corridors have prolonged over-capacity in terms of bus provision on the shared sections. This has been exacerbated post-covid with passenger numbers currently at around 85% of pre-covid levels.
- The proposed frequency provision will exceed Enhanced Partnership Plan network aspirations of every 15 minutes or better daytime and every 30 minutes or better evening and weekends for each Mainline service.
- The proposed arrangement delivers an overall reduction in the number of buses operated on each corridor. However, the effective operational frequency proposed in the agreements are improved, since current over-bussed provision leads to bunching due to signal phasing and passenger loading - resulting in leapfrogging and full buses followed by empty buses.

- The proposal maintains geographical competition. Each corridor has bus services operated by other bus companies on nearby corridors – meaning that many sections of these corridors are within walking distance of a choice of routes served by different operators.
- Firstbus is committed within the Enhanced Partnership Scheme to investing in up to 86 electric buses in 2023 and Arriva to 22 electric buses in 2023 – ahead of other cities across the UK. This demonstrates that the overall Plan and its associated integration measures are in the public interest in terms of driving up quality through private sector investment.
- Rationalisation will reduce the overall number of buses across these shared corridors by 8-10 diesel buses per annum. This will have associated air pollution savings in areas of dense urban housing.
- It will improve reliability and reduce congestion, particularly in the City Centre. Evidence shows that significant reliability and journey speed is lost due to buses delaying themselves. This is due to the number of buses funnelling into constrained road space, particularly Charles St and Haymarket bus station, due to lack of timetable co-ordination and resource rationalisation.
- The overall network across the conurbation remains provided by five commercial operators, with no one operator having a cohesive network or geographical dominance.
- Over 90% of employment, health and educational facilities in Leicester lie outside the City, requiring interchange between operators in the City Centre. The integrated, co-ordinated approach is designed to assist such interchange journeys.
- There is now a comprehensive integrated ticketing system, with a significant range of all-operator tickets, together with all-operator 'best fare' capping. This ensures openness and flexibility for the passenger, reducing the need for them to lock into to a given operator's tickets.

It is proposed that subject to operator approval these changes will be implemented at the agreed bus registration service change date of 17 April 2023.

## **6. Financial, legal, equalities, climate emergency and other implications**

### **6.1 Financial implications**

There are no direct financial implications of the recommendation in this report to approve the proposed co-ordination agreements.

Stuart McAvoy – Acting Head of Finance 17/11/22

### **6.2 Legal implications**

External legal advice has been obtained on the issues set out in this report and this advice should be followed.

Semma Patel – Principal Lawyer. 22/11/11

### 6.3 Equalities implications

Under the Equality Act 2010 public authorities (including the local authority and schools), have a Public Sector Equality Duty (PSED) which means that, in carrying out their functions, they have a statutory duty to pay due regard to the need to eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act, to advance equality of opportunity between people who share a protected characteristic and those who don't and to foster good relations between people who share a protected characteristic and those who don't. Protected Characteristics under the Equality Act 2010 are age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.

The report updates on the progress of Enhanced Bus Partnership Plan and Scheme and formalisation of a partnership network to optimise the bus network. The intended outcomes from this work should lead to positive outcomes for people from across a range of protected characteristics. The schemes should continue to update and use Equality Impact Assessments (EIAs) to pay particular attention to what would be different for service users if the projects are implemented, including any positive outcomes and to take in the impacts on people based on their protected characteristics. The Equality Impact Assessment and consultation findings should continue to be used as a tool to aid consideration around whether we are meeting the aims of the Public Sector Equality Duty, and to identify any potential mitigating actions, where a disproportionate negative impact is identified.

Kalvaran Sandhu, Equalities Manager, Ext 37 6344 24/11/22

### 6.4 Climate Emergency implications

Transport is one of the largest sources of carbon emissions in Leicester, making up 25% of the city's carbon footprint in 2019, with transport-related emissions falling much slower than those from other sources. Following Leicester City Council's declaration of a Climate Emergency in 2019 and ambition for the city to reach net zero carbon emissions by 2030, tackling these emissions is a vital part of the council's work.

This will require both switching more car journeys to sustainable transport options, including buses, and reducing the emissions from the city's buses themselves. As noted within this report, the Enhanced Bus Partnership will play a key role in achieving both of these aims, with the Partnership Plan setting out a wide range of actions to improve and expand services and electrify the bus fleet. As such, the partnership is expected to support a significant reduction in transport-related carbon emissions.

Aidan Davis, Sustainability Officer, Ext 37 2284 17/11/22

### 6.5 Other implications (You will need to have considered other implications in preparing this report. Please indicate which ones apply?)

Other options were considered as part of the wider process related to forming the approved Enhanced Partnership Plan and Enhanced Partnership Scheme. These included:

- Bus franchising – this was discounted due the complexity, timescales and potential costs involved.

- Other formal commercial partnership approaches – not acceptable to commercial bus operators at this point in time.
- Independent operator actions, with no co-ordination – this has partially taken place over the last 12 months as noted in the network optimisation plan. Further short - medium term independent commercial changes related to shared bus 'corridors' appear unlikely.

## **7. Background information and other papers:**

Further details of the Enhanced Bus Partnership are on the partnership website

[www.leicesterbuses.co.uk](http://www.leicesterbuses.co.uk)

## **8. Summary of appendices:**

Appendix 1 : Enhanced Bus Partnership Scheme – Integration Commitments.

Appendix 2 : Enhanced Bus Partnership Scheme – Network Optimisation Plan

## **9. Is this a private report (If so, please indicate the reasons and state why it is not in the public interest to be dealt with publicly)?**

No

## **10. Is this a “key decision”? If so, why?**

Yes – impacts all residents travel across the City.

## Appendix 1: Enhanced Bus Partnership Scheme – Integration Commitments.

<b>Leicester Enhanced Bus Partnership Scheme</b>			
<b>Funded and Committed Projects 2021/2 - 2023/4</b>			
<b>Theme Aim : Integration</b>		<b>1/11/22</b>	
<b>Project</b>	<b>Committed Date</b>	<b>Current Status</b>	<b>Partner/s</b>
Leicester Buses Website - covering all areas of policy/partnership working	1/4/22	Delivered	City Council
Leicester Buses Website - covering integrated information and ticketing	1/9/22	Delivered	City Council
Leicester Buses Website - covering more dynamic information streams	1/4/23	On track - partially in place	City Council
Leicester Bus Partnership Branding - across all council infrastructure - all bus stops, bus stations and park and ride sites	1/7/22	On track - partially in place	City Council
Leicester Buses Printed Guides - Maps, Ticketing, Plan	1/7/22	Delivered	City Council
Leiceser Buses marketing campaign 1 : Tap-on-Tap-Off and Contactless Best Fare capping	1/7/22	Delivered	All
Leicester Buses Network - agreed fixed registration change dates	1/9/22	Delivered	All
Leicester Bus Partnership Branding - across all operators channels - exterior and interior of buses, websites, timetables	1/9/22	On track - partially in place.	All operators
Real Time and Standard Bus Stop Totem programme at all stops within Flexi zone area.	31/12/22	On track. 575 Real time totems installed to date	City Council
Leicester Buses marketing campaign 2 : Customer Charter	1/3/23	On track - draft under consultation	All
Cross-operator timetable integration on 5+ shared corridors. Review in conjunction with overall network review and tendered services update post-covid.	1/9/22	On track - see network optimisation plan	All
Cross-operator timetable integration and co-ordintaiton on shared bus corridors. Implement review recommendations of network optimisation plan	1/4/23	On track - see network optimisation plan	
Contactless Tap In ticketing on all buses, including park and ride	1/12/21	Delivered	All
Digital fare single operator capping on Firstbus, Arriva and Centrebus, Kinch, Stagecoach	1/12/21	Delivered	All operators
New mobile phone sales platforms for Flexi products	1/12/21	Delivered	All
Wider range of Flexi ticketing products including scholars, child and family variants	1/7/22	Delivered	All
Discounted fares on park and ride services - concessions and health workers	1/4/22	Delivered	City Council
Free annual Flexi tickets for eligible scholars 21/22 trial	1/9/21	Delivered	City Council
Half fare 'Travel Aid' bus tickets for unemployed	1/4/22	Delivered	City Council
Digital Capping: Multi-operator 'best fare' day and week capping	1/4/22	Delivered	All
Free annual Flexi tickets for eligible scholars 22/23	1/9/22	Delivered	All

## Appendix 2: Enhanced Bus Partnership Scheme – Network Optimisation Plan

Leicester Enhanced Buses Partnership Scheme				
Network Optimisation Proposed Plan				
Main bus 'corridor'	Route group	Proposed Action	Action to date	Action required for Leicester EP Scheme by April 2023
1. Aikman Av	Arriva 14,First 14,14a	Independent single operator action to give simplified frequent service and reduced bunching	Arriva deregistered their route from October 2022	Sufficient action already taken place.
2. Evington Rd	First 22, Centrebus 22A, 22B	Operator/route rationalisation to give improved operational frequency and reduced bunching	All partner discussion led by Leicester City Council and joint agreed approach reached.	Qualifying Agreement between Firstbus and Centrebus, certified by Leicester City Council
3. London Rd	Arriva 31,X3,Stagecoach X7	Joint timetable to give improved operational frequencies and reduced bunching.	Being progressed by Leicestershire Enhanced Partnership. Mainly impacts outside Leicester conurbation.	None required by Leicester Partnership at this stage
4. Humberstone Rd	First 38,38a,Arriva53	Joint timetable to give improved operational frequencies and reduced bunching.	All partner discussion led by Leicester City Council and joint agreed approach reached.	Qualifying Agreement between Firstbus and Arriva, certified by Leicester City Council
5. Hinkley Rd	Arriva 153,158,Stagecoach 48L, First 18,Centrebus 162	Joint timetable to give improved operational frequencies and reduced bunching.	Being progressed by Warwickshire Enhanced Partnership. Mainly impacts outside Leicester conurbation.	None required by Leicester Partnership at this stage
6. Beaumont Leys Lane	First54,Centrebus 54a (cross city)	Operator/route rationalisation to give improved operational frequency and reduced bunching	All partner discussion led by Leicester City Council and joint agreed approach reached.	Qualifying Agreement between Firstbus and Centrebus, certified by Leicester City Council
7. East Park Rd	First54,Centrebus 54a (cross city)	Operator/route rationalisation to give improved operational frequency and reduced bunching	All partner discussion led by Leicester City Council and joint agreed approach reached.	Qualifying Agreement between Firstbus and Centrebus, certified by Leicester City Council
8. Saffron Lane	Arriva 86,87 First 88 group	Independent single operator action to give simplified local route network and widest coverage for buses used	Arriva service rationalisation of 86/87 now taken place, removes need for further integration	Sufficient action already taken place by each operator independently.
9. Melton Rd/ Loughborough Rd	Arriva 126,127,Kinch 2, First 4, Centrebus 22a,22b (cross city)	Independent single operator action to give simplified local route network and widest coverage for buses used	Kinchbus 2 de-registered September 2022. First 4 and Centrebus 22a/b operator route changes already independent made to give little duplication. Other partial sections have high single operator frequency and don't require co-ordination	Sufficient action already taken place by each operator independently.