

HAMPSHIRE COUNTY COUNCIL

Decision Report

Decision Maker:	Executive Lead Member for Universal Services
Date:	11 March 2024
Title:	Bus Promotional Marketing and Fares Initiatives
Report From:	Director of Universal Services

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Purpose of this Report

1. The purpose of this report is to seek approval to spend a portion of the County Council's allocation of Bus Service Improvement Plan+ (BSIP+) funding on measures to promote Hampshire's bus network, encourage more people to travel by bus and incentivise those people who do not travel by bus to try public transport. These projects will be delivered in partnership with Hampshire's bus operators.

Recommendations

2. That the Executive Lead Member for Universal Services approves the final programme contained in this report and endorses the expenditure of £200,000 of Bus Service Improvement Plan+ (BSIP+) funding to be spent on promotional and marketing initiatives, and on Travel Training for people who are not used to travelling by bus.
3. That the Executive Lead Member for Universal Services approves the final programme outlined in this report and endorses the expenditure of £200,000 of BSIP+ funding on bus fares initiatives, in order to encourage people to try bus services and increase the number of regular bus passengers in Hampshire.

Executive Summary

4. This paper seeks to:
 - set out the background to the Hampshire Bus Service Improvement Plan (BSIP) and the priorities for investment to improve Hampshire's bus network, and demonstrate how the proposals in this report are consistent with the BSIP and DfT guidance
 - set out further detail of the non-bus user education and bus marketing promotional campaigns and fares initiatives proposed for delivery by the County Council in partnership with bus operators, over the period to summer 2025

- consider the finance for the project and the impact on the budget

Contextual information

5. In May 2023, Government announced Hampshire County Council's allocation of £7,158,924 of "BSIP +" revenue funding. On 18 September 2023, the Executive Lead Member for Universal Services considered a report on how the BSIP + funding would be utilised, with six broad areas for investment referenced in the report, one of which was to deliver multi-operator promotional campaigns to promote bus use. As part of that decision, the Executive Lead Member for Universal Services delegated authority to the Director of Universal Services, in consultation with the Executive Lead Member for Universal Services and the Head of Legal Services, to determine the principles for the award of the funding which will be allocated to support the objectives of the Hampshire BSIP and also secure the necessary approval to spend.
6. The Enhanced Partnership Board agreed the plans for the spend in these areas in October 2023.
7. In January 2024, the Director of Universal Services (having consulted with the Executive Lead Member for Universal Services and Head of Legal Services) approved the methodology for allocating the areas of spend for the Council's £7.16m of Bus Service Improvement Plan plus funding. Of the £7.16million funding, the Director approved the methodology which enabled the spending of £200,000 for "Non-bus user education, roadshow & marketing initiatives" and a further £200,000 from the 2023/24 BSIP+ allocation for "Fares Initiatives" that would complement the £2 capped single fare initiative that is being funded by the Government until 31 December 2024. It was set out in the Officer Delegated Report approved by the Director of Universal Services on 16 January 2024 (see 'Other Significant Links' towards the end of the report) that when the details of the bus fares initiatives and promotional activities have been finalised by the County Council in partnership with bus operators, final approval for the programme would be sought. This detail has now been developed and is set out in this report, i.e. extension of the 'Our Bus' marketing programme; travel training for non bus-users; production of 'How To' videos to be disseminated over social media; 'Free Bus' days and weekends in several areas of Hampshire; and high street roadshows with bus operators.
8. On the busiest bus routes in Hampshire that have bus services running every 20 minutes or more, the number of bus passengers carried has now returned to or exceeded the number of passengers using them prior to the pandemic. This is a strong indication that the bus network is performing well and has the potential to attract more passengers. On less frequent services, passenger numbers are still to fully recover. This is an issue for commercial bus operators as over the last two to three years, they have faced sustained inflationary pressures as staff costs have increased as well as fuel, vehicle maintenance and insurance costs.
9. Given that 90% of bus services in Hampshire are operated on a commercial basis, and this proportion could increase in the future, it is important to support the expansion of the commercial bus network. The purpose of these initiatives is to encourage more Hampshire residents to travel by bus for some of their everyday journeys and to help operators to increase revenue, thereby putting

more local services back on a stronger commercial footing and ensuring that these are sustainable in the longer term.

10. It was set out in the Officer Delegated Report approved by the Director of Universal Services on 16th January 2024 that when the details of the bus fares initiatives and promotional activities have been finalised by the County Council in partnership with bus operators, final approval for the programme would be sought.

Summary and Rationale for promotional marketing and fares initiatives

Non-bus user education, roadshow & marketing initiatives

11. In 2022, the County Council worked in partnership with Atkins to deliver an award-winning 'Travel For All' programme which encouraged people over 65 years of age to travel independently by public transport. The project also resulted in improvements to people's confidence, feelings of wellbeing and connection to their local communities.
12. In 2023, South Western Railway, in partnership with local charity Winchester Go LD delivered a "Travel with Confidence" project, to help show groups of adults with learning disabilities how they can access and travel around by train, helping over 100 such adults to live more independent lives.
13. It is proposed that similar travel training initiatives for bus travel be delivered in partnership with Hampshire's major bus operators. These initiatives would be targeted at all people who do not currently use public transport. A large proportion of Hampshire's residents do not travel regularly by bus and many people who tend to travel almost exclusively by car may not have made a journey by bus for a number of years. Around 19% of Hampshire's households do not have access to a car or van.
14. Whilst the £2 capped single fare is a positive reason for people to 'Try the Bus', other barriers to bus travel exist. People are often unaware of bus services in their local area, which destinations these serve or how often services run. Such non-bus users may not be aware that all buses in Hampshire accept contactless payment and that they would not need to carry or pay by cash. Therefore, it is proposed to work with bus operators to produce a series of short, localised "How To" video guides to help overcome barriers for non-bus users. These short videos would then be able to be disseminated through social media channels, on buses and on real time information screens.
15. The guidance from DfT on use of BSIP+ funding is that where this is spent on marketing, this should be used for new promotional initiatives that are not 'business as usual' activities.
16. A bus promotional campaign ('Our Bus') was jointly delivered by HCC, Bluestar, First Solent and Stagecoach over the summer and autumn of 2023. A £40,000 contribution from HCC was matched by £15,000 contributions from each operator. This was the first time that a joint campaign had been run in Hampshire across all bus operators. The campaign comprised outdoor and digital advertising, supplemented by Spotify and radio advertising. Each operator contributed investment in a mix of bus shelter posters, bus back advertising and digital advertising campaigns. Target audiences were older

people, working people and families, and messages promoted the £2 capped single fare and free travel for concessionary pass holders.

17. Given the success of this campaign, bus operators are keen to extend the activity into 2024. It is proposed to run a further three-month campaign from mid-April to mid-July 2024, with a target audience of young adults, focussing on the twin themes of travel by bus being good for the environment, and bus fares representing very good value for money compared to the fuel, insurance, tax and upkeep costs of owning a car. Operator feedback suggests that short online videos are powerful channels for engaging with and persuading young adults about products and services.
18. Therefore, the strategy for the 2024 campaign that has been developed with bus operator partners involves short videos, outdoor advertising on billboards and bus shelters and social media promotions.
19. This programme will be supported by a number of 'high street roadshows' across the county, where operators would typically display new buses, engage with bus users and potential users, promote new services and ticketing offers.

Fares Initiatives (to complement the £2 capped single fare initiative)

20. In order to best complement the £2 capped single fare funded by DfT, the £200,000 allocated to "Fares Initiatives" is to be utilised to encourage more bus use at times of day when there is spare capacity on buses, such as at weekends and in the evenings. Following discussions with local bus operators, the proposal is to offer a series of 'Free Bus Saturdays', or 'Free Bus Weekends'. Operators would be reimbursed using the BSIP+ funding for the fare revenue forgone. This initiative was run with great success in the Portsmouth area on several weekends during 2023. It is proposed that the free weekend travel initiatives would operate across Hampshire, but based on specific town networks, e.g. Basingstoke area, Andover area and the Winchester area. This would make the initiative easier to promote and to administer.
21. Investment in these areas is consistent with, and will build on, the current Government initiatives to increase bus use, e.g. the £2 single fare cap which will run until the end of 2024. It is also consistent with Government financial support for the bus industry during and since the pandemic. The proposals are consistent with, and fully support a number of Hampshire's BSIP priorities i.e. investment in flagship corridors; simpler and more affordable ticket options; bus network presented as a single system; and customer charter and better customer engagement.
22. In terms of project governance, delivery of the initiatives will be overseen by the Hampshire Enhanced Partnership Board.

Finance

23. Of the £200,000 for non-bus user education/ travel training and marketing promotion, approximately £100,000 would be utilised to provide travel training, around £50,000 to develop promotional videos targeting young people and £50,000 to develop and disseminate localised "how to" videos, that can then be

made available through operators' websites, the County Council's website, and through various social media channels.

24. The £200,000 for Fares Initiatives will provide a number of 'Free Bus Saturdays/Weekends' across the county and would be promoted in advance online, on buses, at bus stops, on real time information screens and through various social media channels.
25. The £7.16 million BSIP+ funding allocated to the County Council by Government is one-off funding over two years that must be spent on measures to improve bus services, passenger facilities and promote the bus network. DfT has set out a number of terms and conditions for this one-off funding in a Memorandum of Understanding (MoU) which if not adhered to, would mean that the funding would have to be returned to DfT. Therefore, this funding cannot be used for the ongoing support of subsidised bus services, but is being targeted at strengthening the commercial bus network, helping bus operators to grow the market and expand their commercial networks for the benefit of Hampshire residents.

Performance

26. The investment in travel training, marketing and promotion and fares initiatives will encourage more people to travel by public transport and therefore contribute to County Council's strategic objectives around sustainable economic growth, accessibility, climate change and air quality. Local bus services connect the places where people live to employment, shopping, education and healthcare, helping people to live safe, healthy, independent lives. The more people that use bus services in Hampshire, the more financially sustainable the bus network will be, encouraging operators to invest in expanded networks, more frequent services and zero-emission buses.
27. These measures that are all designed to improve bus networks and encourage more people to travel by public transport will also help the transport network to operate more efficiently, helping to reduce congestion, improve air quality and reduce carbon consumption.

Consultation and Equalities

28. In line with guidance issued by the Department for Transport at the time the National Bus Strategy was published, the County Council has undertaken consultation to gain the views and support of stakeholders both on the existing bus network and potential improvements that could be made through the BSIP and Enhanced Partnership (EP).
29. Following the original submission of the BSIP, the government required the County Council to engage with stakeholders on both a formal and informal basis around the development of the EP Plan and EP Scheme. The informal consultation took place between October 2021 and January 2022 and consisted of a range of initiatives including Passenger Transport Forums, meetings with district and parish councils and a series of virtual drop-in sessions that any interested stakeholders could sign up to. Two focus groups were also conducted, the first group consisted of regular bus users and the second group consisted of infrequent or non-bus users. In addition to this there were regular

meetings with all local bus operators and neighbouring local authorities. Overall, there was strong support for the scope and direction of the BSIP as well as support for the priorities the County Council has identified.

30. The outputs of the BSIP and EP will have a particularly positive outcome for those groups who are statistically more frequent users of public transport including younger and older people, women, those with the protected characteristics of disability, race, pregnancy and maternity, those living in rural locations and those on lower incomes. Residents with the protected characteristic of religion or belief could also be impacted positively through improved services supporting access to religious events or places of worship. There is a neutral impact on other protected groups.
31. In terms of equality impacts, there is a higher reliance on buses for commuting amongst particular sectors of the population: females, younger age groups (16–19-year-olds), part-time workers, those in manual occupations and those on low incomes. 18.9% of households in Hampshire have no access to a car or van. Around one in three bus journeys in Hampshire are made by concessionary pass holders.
32. The Hampshire BSIP commitments to work towards more frequent, more reliable, easier to understand and use, and better co-ordinated bus services that would enable people to access essential services and lead independent lives for longer within their own communities. The measures proposed within this report would strengthen the financial viability of the commercial bus network by attracting more passengers and therefore more revenue to bus services, encouraging operators to expand their networks.

Climate Change Impact Assessments

33. Hampshire County Council utilises two decision-making tools to assess the carbon emissions and resilience of its projects and decisions. These tools provide a clear, robust, and transparent way of assessing how projects, policies and initiatives contribute towards the County Council's climate change targets of being carbon neutral and resilient to the impacts of a 2°C temperature rise by 2050. This process ensures that climate change considerations are built into everything the Authority does.

Carbon Mitigation

34. By increasing the modal share of journeys made by bus and decreasing the share made by private car, BSIP measures would support a reduction in carbon emissions from transport. Buses also make more efficient use of road space – a double decker bus can take up to 75 cars off the road. Bus operators will continue to invest in their bus fleets, which already perform well in terms of nitrogen dioxide and particulate matter emissions. On average, each journey made by bus generates a 50% reduction in carbon emissions over a journey made by private car.

Conclusions

35. The recommendations within this report are consistent with the Hampshire BSIP priorities and complement the overall package of measures that is being implemented by the County Council and bus operators to improve Hampshire's bus network and associated infrastructure.
36. The promotional activities and fares initiatives will attract more people to use Hampshire's bus network. The projects have been developed in partnership with Hampshire's bus operators and will be delivered jointly and consistently across the county.
37. The projects will help meet the objectives of Government's National Bus Strategy and the joint delivery will build on the existing positive relationship between the County Council and its bus operators.

REQUIRED CORPORATE AND LEGAL INFORMATION:

Links to the Strategic Plan

Hampshire maintains strong and sustainable economic growth and prosperity:	yes
People in Hampshire live safe, healthy and independent lives:	yes
People in Hampshire enjoy a rich and diverse environment:	no
People in Hampshire enjoy being part of strong, inclusive communities:	yes

Other Significant Links

Links to previous Member decisions:	
<u>Title</u>	<u>Date</u>
Bus Service Improvement Plan https://democracy.hants.gov.uk/documents/s86266/Report.pdf	28 Oct 21
Hampshire's Bus Enhanced Partnership Plan & Scheme https://democracy.hants.gov.uk/documents/s91772/Report.pdf	10 Mar 22
Bus Service Improvement Plan Plus Bus Service Improvement Plan Plus-2023-09-18-ELMUS Decision Day (hants.gov.uk)	18 Sept 23
Delegated Officer Decision: <u>Title</u> Bus Service Improvement Plan Plus Funding Proposals Decision - Bus Service Improvement Plan Plus Funding Proposals About the Council Hampshire County Council (hants.gov.uk)	16 January 24
Direct links to specific legislation or Government Directives	
<u>Title</u>	<u>Date</u>
Bus Back Better – A National Bus Strategy for England Bus back better - GOV.UK (www.gov.uk)	Mar 21

Section 100 D - Local Government Act 1972 - background documents

The following documents discuss facts or matters on which this report, or an important part of it, is based and have been relied upon to a material extent in the preparation of this report. (NB: the list excludes published works and any documents which disclose exempt or confidential information as defined in the Act.)

<u>Document</u>	<u>Location</u>
None	

EQUALITIES IMPACT ASSESSMENT:

1. Equality Duty

The County Council has a duty under Section 149 of the Equality Act 2010 ('the Act') to have due regard in the exercise of its functions to the need to:

- Eliminate discrimination, harassment and victimisation and any other conduct prohibited by or under the Act with regard to the protected characteristics as set out in section 4 of the Act (age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation);
- Advance equality of opportunity between persons who share a relevant protected characteristic within section 149(7) of the Act (age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation) and those who do not share it;
- Foster good relations between persons who share a relevant protected characteristic within section 149(7) of the Act (see above) and persons who do not share it.

Due regard in this context involves having due regard in particular to:

- The need to remove or minimise disadvantages suffered by persons sharing a relevant characteristic connected to that characteristic;
- Take steps to meet the needs of persons sharing a relevant protected characteristic different from the needs of persons who do not share it;
- Encourage persons sharing a relevant protected characteristic to participate in public life or in any other activity which participation by such persons is disproportionately low.

2. Equalities Impact Assessment:

The outputs of the BSIP and EP will have a particularly positive outcome for those groups who are statistically more frequent users of public transport including younger and older people, women, those with the protected characteristics of disability, race, pregnancy and maternity, those living in rural locations and those on lower incomes. Residents with the protected characteristic of religion or belief could also be impacted positively through improved services supporting access to religious events or places of worship. There is a neutral impact on other protected groups.

In terms of equality impacts, there is a higher reliance on buses for commuting amongst particular sectors of the population: females, younger age groups (16–19-year-olds), part-time workers, those in manual occupations and those on low incomes. 18.9% of households in Hampshire have no access to a car or van. Around one in three bus journeys in Hampshire are made by concessionary pass holders.

The Hampshire BSIP commitments to work towards more frequent, more reliable, easier to understand and use, and better co-ordinated bus services would enable people to access essential services and lead independent lives for longer within their own communities. The measures proposed within this report would strengthen the financial viability of the commercial bus network by attracting more passengers and therefore more revenue to bus services, encouraging operators to expand their networks.