

Speech: Changes and challenges facing UK bus industry

Introduction – change

Good morning.

It's a real pleasure to return to the UK Bus Summit today.

I'm grateful to Professor Begg and the team at Transport Times for asking me back.

It doesn't feel anything like a year since I was last here.

And yet when you look back to January 2016, it seems like a different world altogether.

David Cameron was in an apparently unassailable position as Prime Minister.

After leading his party to victory at the 2015 general election, he was looking forward to securing Britain's future EU membership in the upcoming referendum.

Hilary Clinton was hot favourite to become the next US President, while Donald Trump was still 6 months away from even receiving the Republican nomination.

And Leicester City were on their way to a Premiership title.

If 2016 taught us anything, it was to expect change.

The world is changing.

Britain is changing.

And we have to be ready for change in this industry too.

Challenge of growth

Because buses face a huge challenge.

How to grow?

The argument in favour of bus travel is as strong as it's ever been.

No other form of transport can carry large numbers of people quickly, affordably and cleanly in already congested cities and towns.

That's why buses are still providing 4.5 billion passenger journeys a year.

Getting children to school.

Commuters to work.

And connecting communities with jobs and services.

That's why they're our most popular type of public transport.

More bus passengers mean fewer cars on the road.

Fewer cars mean more space for buses on congested city streets.

Which means faster and better journeys.

And in turn, that will attract more customer demand.

The bus isn't just a highly effective form of transport.

It's integral to the success of our economy.

To keeping our high streets thriving.

And to cutting pollution.

But last year bus passengers in England continued to decline.

And private bus operators saw patronage fall for the first time in 6 years.

So I see it as our shared goal to reverse that trend.

Successes

I've been hugely impressed with the strides many operators are making to attract new passengers and make the experience of bus travel more attractive.

Over 90% of buses are now accessible.

It should be 100%.

Many have free wifi, CCTV and USB charging points.

And since I last stood here major operators have begun the roll out of contactless bank card payment in earnest.

Arriva, First Group, Go-Ahead, National Express and Stagecoach have committed to this.

Which will bring contactless payment to every bus outside London by 2022, with many areas benefiting sooner.

The benefits of smart ticketing, whether on contactless cards, smart cards or otherwise, are clear.

They make journeys across modes easier and speed up journey times.

There are now at least 700,000 smart cards in use outside London and they will only get more and more popular.

So thank you to everyone who is supporting the ticketing revolution.

Bill

But we also need to innovate in other areas if we're going to achieve our objectives.

Chief among them is extending the range of options to improve bus services where improvement is needed.

How we organise the operation of buses throughout the country.

A year ago I spoke about how the [Bus Services Bill](#) would help local authorities and bus operators enter into partnerships.

Allowing them to agree their own standards for services to help attract new passengers.

I spoke, too, about retaining the most valuable parts of the quality contract process.

So we can give Mayors and local authorities the choice to use new powers to franchise bus services in their areas.

And I said the Bill would address passengers' needs for better information.

Well, the Bill contains all of these things.

However, the journey of the Bill through Parliament has been longer than anticipated.

That was inevitable considering the other pressures on Parliamentary time over the past 6 months.

But although we came up against opposition in the House of Lords,

And although changes were made to the Bill as a result.

I can reassure you that I will be working hard to ensure that the Bill will return largely in its original form.

And it will do what we always intended it to do.

Increase passenger numbers, improve services, and deliver on our devolution deals.

Not by forcing any one approach on the industry, but by creating new options and opportunities.

And I'm also expecting the Bill's timetable to remain on track.

Article 50 has taken parliamentary time, but we are committed to getting the Bill through Parliament before the Mayoral elections.

Partnership and open data

At its heart are partnerships – between local authorities and bus operators – which are the bedrock on which a successful bus strategy for the future will be built.

The thing about bus services is that everyone should share the same objective.

Put bluntly, “more bums on seats”.

That’s how local authorities can cut congestion, support businesses and improve air quality.

And it’s how operators can improve their bottom line – if you’ll excuse the pun.

New enhanced partnerships will allow local authorities and bus operators to agree their own standards for services in their area.

From branding and emission standards to ticketing.

Every enhanced partnership will have a plan which sets out the improvements that the authority and operators will make.

To make bus travel more attractive.

To identify the problems that are preventing more people from travelling by bus.

And through partnership commitments – to do something about them.

Partnerships offer major benefits for rural communities too.

So the Bill allows better integration between local bus services and other modes of transport.

It will also make more information available to passengers through the open data provisions.

I want bus passengers to have the same access to journey planning and real time information as rail passengers.

And the same as those travelling in London.

So the provisions will require bus operators to make data about routes, fares and the operation of bus services open and accessible.

Franchises

But partnerships may not be the best solution in all areas.

New powers to franchise services will be available to combined authorities with directly elected mayors...

Just as they are in London.

And private operators will compete for contracts.

One of the most notable changes made to the Bill in the House of Lords was the opening up of franchising to all local transport authorities in England.

The government's position is clear.

We do not support that change.

Strong governance and accountability is needed to make franchising a success.

So it remains our intention that mayoral combined authorities will have automatic access to franchising powers.

Reflecting the centralised decision-making responsibility for transport they will hold.

Other local authorities will be able to access franchising powers with the Secretary of State's consent.

We want to ensure that franchising is only pursued where it makes sense to do so, where the authority has a realistic plan in place, and – most importantly – where it will benefit passengers.

Consultation

The Bill that leaves Parliament must be fit for purpose.

Above all, that means it will help both bus operators and authorities deliver better services for passengers.

But it will only be a success if the powers it contains are easy to use – and if they are taken up.

That is why we continue to focus on the practicalities.

Working with organisations like the CPT, ALBUM and the Urban Transport Group to prepare key pieces of secondary legislation and guidance.

Your views matter.

So yesterday we [launched a consultation to gather your opinions](#) on those detailed bits of policy.

So please go to our website and let us know what you think.

Conclusion

So the challenge is clear.

To unite as an industry.

Bus operators, local authorities and government.

To show that buses are just as much the mode of the future as the mode of the past.

To do that, we have designed a Bus Services Bill that will work for every area of the country.

For franchises and partnerships.

To deliver the services that passengers want.

I'm absolutely confident we can do that.

Not just because we've worked so hard on the legislation.

But because I know this is a resourceful and creative industry, which is doing so much great work around the country.

With an average 85% of passengers satisfied with services.

That's why I'm proud to be Bus Minister.

To represent the industry in government.

And it's why I look forward to working with you over the next year.

So thank you for listening.

And enjoy the rest of the day.

[Press release: HS2 appoints Phase Two B Development Partner and engineering and environmental consultants](#)

From:

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Part of:

Plans to bring HS2 to Manchester and Leeds took a step forward today with the confirmation that contracts will be awarded to CH2M, Arup, an AECOM / Capita / INECO joint venture and a Mott MacDonald / WSP joint venture to help progress the design.

The appointments are a major milestone for the high speed rail project and comes after an 11 month competitive process, during which seven multi-national bidders were invited to tender for four packages of work.

CH2M will become Phase Two B Development Partner and work together with teams from Arup, AECOM / Capita / INECO and Mott MacDonald / WSP.

Together, they will provide the expert engineering and environmental support needed to take forward the development of the route north of Crewe to Manchester and from the West Midlands to Yorkshire, with a hybrid Bill – essentially the planning application for this part of the route – expected to be presented to Parliament in 2019.

The government gave the go ahead for the sections of the route, between Crewe and Manchester, and Birmingham and Leeds, via Sheffield and the East Midlands, subject to some specific route refinements which are under consultation, in November last year. The dedicated high speed lines are planned to open in 2033, providing extra capacity between the UK's largest cities, improving connectivity and reducing journey times.

Alison Munro, HS2 Ltd Managing Director – Development, said:

This contract awards mark an important milestone for HS2 – giving us the expert resource needed to progress the second phase of the project and bring high speed rail to Manchester and Leeds by 2033.

Our new partners bring a wealth of recent experience on some of the world's most challenging and complex infrastructure projects and I look forward to working with them to ensure that HS2 can benefit from the experience and innovation they have to offer.

The following companies will be appointed:

Phase Two B Development Partner:

Phase Two B Civils Design and Environmental Services:

- Lot 1 – CDES – Mott MacDonald / WSP joint venture
- Lot 2 – CDES – AECOM / Capita / INECO joint venture
- Lot 3 – CDES and Environmental Overview Consultant (EOC) – Arup

Contracts are expected to be signed after the 20 February 2017 with staff

joining the HS2 Ltd team soon after.

News story: Thousands of students will benefit from new cadet units backed by £50 million Government plan

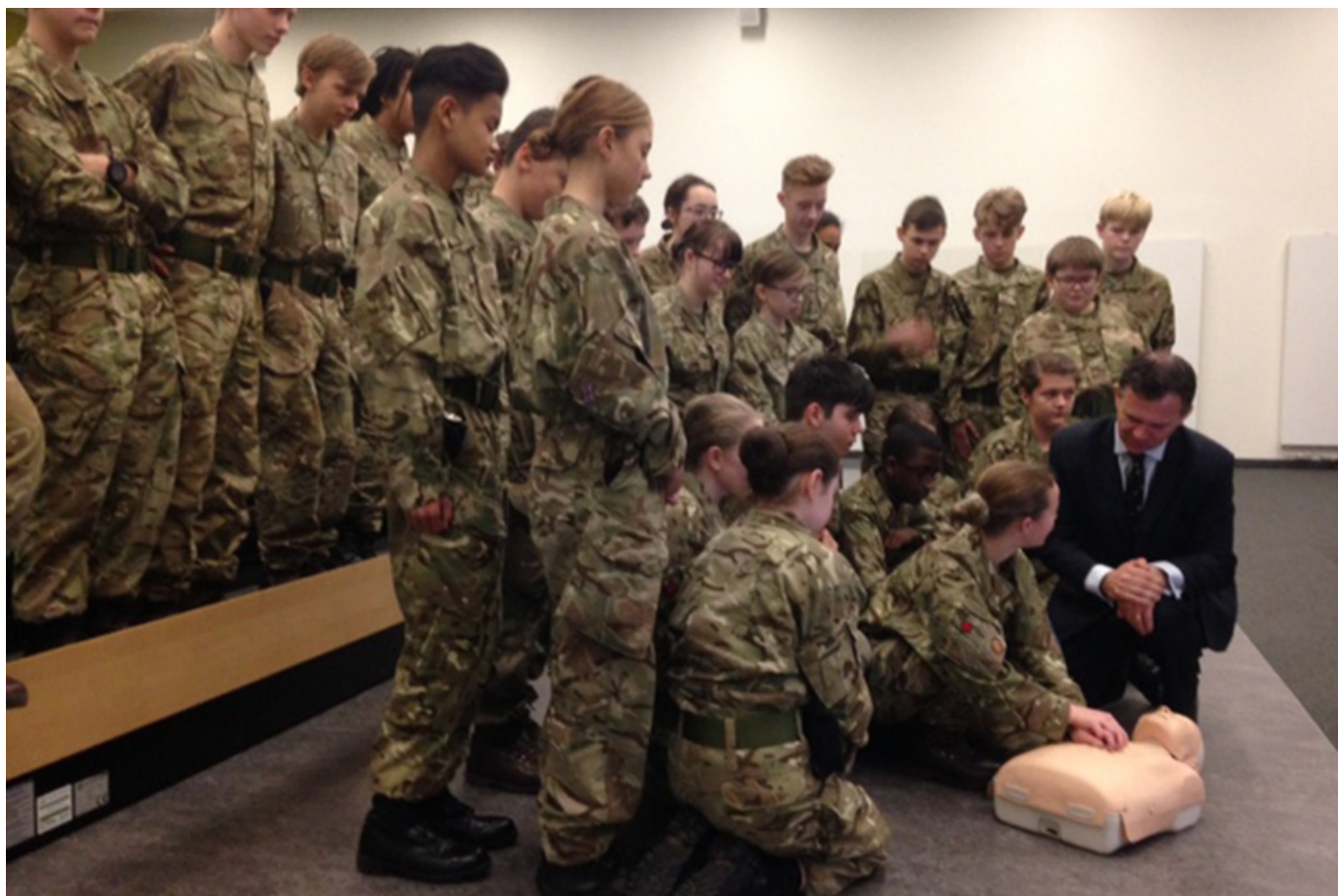
Thousands of students, many often from less prosperous areas, are set to benefit from the development prospects and new skills, such as team-work, problem solving and leadership that school cadet units bring. These will be opened in areas where previously opportunities such as this were limited.

This new wave of cadet units follows an [announcement last year by Defence Secretary Sir Michael Fallon on another 25](#), as the government remains on target to have a total of 500 running in UK schools by 2020. The CEP is backed by £50 million funding from LIBOR fines, which pays for set up costs, the students' uniforms, equipment and training.

Speaking at Brompton Academy today, Defence Minister Mark Lancaster, said:

These new units help deliver on the Government's manifesto commitment that more students should be able to enjoy the rewards of joining the cadets from every background.

Cadet Forces offer a fantastic opportunity for students, providing exciting new opportunities and helping to instil the positive values of citizenship, responsibility and fairness.



Defence Minister Mark Lancaster meets Army Cadets at Brompton Academy as he announces 25 schools to create new cadet units. Crown copyright.

Cadet units, provide challenging and enjoyable activities for students, offering them the opportunity to learn new skills, engage in adventurous activities, and help them gain vocational BTEC qualifications. Schools also recognise the benefits, with a number of Head Teachers saying that having cadets as students improves attendance and classroom behavior and research has shown an increase in academic achievement, self-esteem and self-confidence.

Learn more about the [Cadet Expansion Programme here](#).

The Schools that will be setting up new Cadet units are:

- Ash Manor School- Surrey
- Aston University Engineering Academy- West Midlands
- Barr Beacon School- West Midlands
- Boldon School- Tyne and Wear
- Cookstown High School- County Tyrone, Northern Ireland
- Haberdashers' Aske's Knights Academy- Kent
- Hayesfield Girls School- Somerset
- Isle of Portland Aldridge Community Academy- Dorset
- Knole Academy- Sevenoaks, Kent
- Maxwelltown High School- Lochside Rd, Dumfries
- Northbrook College- West Sussex
- Ron Dearing UTC- Hull
- Shenfield High School- Essex

- Sirius Academy West- Hull
 - St Antony's Catholic College- Greater Manchester
 - The Dean Academy- Gloucestershire
 - The Hawthorne's Free School- Merseyside
 - The International School – West Midlands
 - The John Warner School – Hertfordshire
 - The Phoenix Collegiate- West Midlands
 - The Priory City of Lincoln Academy- Lincolnshire
 - The Priory Ruskin Academy- Lincolnshire
 - The Priory Witham Academy- Lincolnshire
 - The Victory Academy- Kent
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[This report should serve as a warning that plans to re-introduce selection at 11 will only make the attainment gap wider – Rayner](#)

Angela

Rayner MP, Shadow Education Secretary, commenting on the Sutton Trust report into the attainment gap between poor pupils and their better-off classmates, said:

“This report should serve as a stark warning to the Government that their plans to re-introduce selection at 11 will only make this attainment gap between disadvantaged children and their peers even wider.

“Their plans to bring back grammar schools are reckless and without evidence. Introducing wholesale selection back into the schools system will only make life more difficult for the most disadvantaged kids.”

[News story: Deal agreed to ease restrictions on flights between the](#)

two nations

The UK and India have today (9 February 2017) agreed to ease restrictions on the number of scheduled flights between the two countries, following successful talks in India this week.

Limits on flights from key Indian cities including Chennai and Kolkata have been scrapped, allowing for a greater range of flights for passengers while providing a boost to trade and tourism for the UK and India. Building new links with important trading partners is a key part of the government's plans for a Global Britain, opening up new export markets and creating jobs and economic growth.

India is a rapidly expanding and important market for aviation and the agreement signed today will allow airlines to develop new services and routes.

Aviation Minister Lord Ahmad of Wimbledon said:

India is one of our closest allies and key trading partners and this new agreement will only serve to strengthen this crucial relationship. We are unlocking new trade and tourism opportunities which will boost our economies, create new jobs and open up new business links. This is great news for both the UK and India and is yet another sign that we are open for business and ready to build and strengthen our trade links.

With about 2.5 million passengers flying direct between the UK and India each year, and 88 scheduled services per week in each direction between the two countries, the agreement today will open up even more routes and opportunities.

Indian Civil Aviation Minister Pusapati Ashok Gajapathi Raju said:

The increase in number of flights between the UK and India is encouraging news for our businesses and tourists. We already enjoy strong ties with the UK and we welcome such continued association which in the long run will not only encourage business activity, but also people-to-people contact. I am sure that this agreement will bring direct and indirect benefits to many sectors of the economies of our two countries.

Tourism from India makes an important contribution to the UK economy. In 2015, there were 422,000 visits from India to the UK, bringing more than £433 million to the economy.

The agreement was formally signed during a [visit to India by Lord Ahmad](#),

where he led a delegation of British companies for the 2017 CAPA India Aviation Summit. The Cabinet Minister of Civil Aviation, Pusapati Ashok Gajapathi Raju, signed on behalf of India.

Meeting with the Cabinet Minister for Civil Aviation Mr Pusapati Ashok Gajapathi Raju, Minister of State at the Ministry of Civil Aviation Mr Jayant Sinha, and India's leading airlines, UK Aviation Minister Lord Ahmad encouraged Indian businesses to partner with UK aerospace companies to capitalise Britain's world-class aviation expertise.

The final decision on additional flights between the UK and India is a commercial one for airlines.