



On the Buses

Introduction

From next month (4 December), local transport authorities (LTAs) in Scotland will have the power to explore the bus partnership and franchising powers contained in the Transport (Scotland) Act 2019. Also included with the Act are powers for LTAs to operate municipal bus services.

In this briefing, we look at bus provision in Scotland and how these powers could be used to improve bus services.

Bus provision in Scotland

Bus use in Scotland has declined in recent years, with the number of journeys halved since 2004. According to the latest [statistics](#), 234 million bus passenger journeys were taken in Scotland in 2021/22, totalling 288 million kilometres. However, in 2004, there were 459 million bus journeys totalling 359 million kilometres. This problem is not unique to Scotland. There were just over 18,000 numbered bus routes in England in 2002, but that number has since fallen to just under 11,000, with more [cuts](#) every month. Passenger journeys in Great Britain fell by 37% and Scotland by 40% over the past five years.

More positively, there has been something of a [recovery](#) since the pandemic, with 109m extra bus journeys made in Scotland in 2022 compared to the previous year. This figure is nearly double that seen in 2020/21. However, bus distance only increased by 13% and is still way behind pre-pandemic levels. Scottish Government bus improvement programmes are developing [slowly](#).

The bus industry received £329 million in funding from local or central government in 2021-22. Passenger revenue in 2021-22 stood at £265 million in Scotland. In real terms, local and national government funding is now 2 per cent lower than five years ago, and overall passenger revenue is 24 per cent less than five years ago due to the decrease in passengers. Staffing and labour accounted for around 60% of operating costs, with fuel accounting for 16%.

Bus fares have risen by almost 11 per cent over the past five years, although that is a 3% decrease

in real terms. 1.5 million people in Scotland have National Concessionary Travel cards. On 31 January 2022, the new Young Persons' Free Bus Travel Scheme was launched, which provides free bus travel for everyone living in Scotland between the ages of 5 and 21. Forty-five million free bus journeys have been made under this [scheme](#), a 60% uptake. Free bus travel will be extended to asylum seekers soon.

Regarding passenger satisfaction, 80 per cent of respondents to the Scottish Household Survey were satisfied with the extent to which buses ran to timetable, cleanliness and timetable information. That fell to 60% on fare value and 53% on environmentally friendly. One in six buses in Scotland are now [zero emission](#).

Campaigners in Scotland have [highlighted](#) many concerns over service delivery. These include the threat to night buses in [Glasgow](#) and service cuts in [West Lothian](#).

Bus deregulation

Bus deregulation in the UK since the 1980s is widely seen as a failure. The big five bus companies dominate 70% of the UK market. They decide which buses to run and when. If the local authority knows that a service is needed which won't make money for the bus company, they can pay a bus company to run that service.

The idea behind bus [deregulation](#) is that competition will lead to the best results. In reality, there have been disruptive 'bus wars' where companies fight for passengers. At other times, there is no competition, fares are high, and people have little control over the bus service the company chooses to provide. Bus passengers tend to get on the first bus that comes along instead of choosing between bus companies. This demonstrates that buses are a natural monopoly,



so it makes sense to run them as an integrated network, not a competitive market.

This has real-world consequences. A Centre for Human Rights & Global Justice [report](#), demonstrated that people have lost jobs and benefits, faced barriers to healthcare, been forced to give up on education, and sacrificed food and utilities – because of a bus service that isn't working. And private operators aren't accountable to democratic processes, so passengers lack meaningful recourse when the service doesn't work for them.

Reform

Public control or ownership would be more cost effective and allow for reinvestment of profits, integrated networks, more efficient coverage, simpler fares, consistency with climate goals, and public accountability. Municipally-owned operators such as Nottingham, Reading and our own Lothian Buses in Edinburgh provide impressive counter-examples of what is possible.

There are two main options for achieving this under Scottish legislation.

The best option is **public ownership**. There are 12 municipal public bus companies across the UK, and they have an excellent track record - winning bus operator of the year in four of the last five years. A public company, Translink, operates buses in Northern Ireland. Public bus companies can run their buses as a network (as with franchising), but they also have an extra advantage - they can reinvest all their profit instead of handing some of it to shareholders. This means they have extra cash to use to provide better services. The Scottish Government should provide start-up funding to establish bus companies, recognising that buses receive less support than other forms of transport despite 75% of public transport being by bus. The various funding allocations to pay for new buses could also be deployed. Councils already pay for bus company profits through revenue support.

The second-best option is bus **franchising**. Private companies still run buses here, but the local authority has more control. This is how it works in London; [Liverpool](#) and [Manchester](#) are already developing this model for their areas. Running the buses as a network is more efficient because profitable routes can subsidise the routes that don't make money. Bus companies make less of a profit when buses are run through franchises, which is why they are already threatening [legal action](#) in Scotland. However, the downside is that franchising still puts taxpayer cash in the pockets

of bus company shareholders, with the risk that they would seek to recoup any lost profits from the workforce. Moving to the best option of municipal ownership will be challenging once franchising is in place.

SPT is preparing [a plan](#) for Strathclyde, which could see the network nationalised and a municipal bus service run in parts of the region. They highlight falling bus use, with passenger numbers down 32% in a decade and the distance covered by buses down 21% over the same period. Bus services are less frequent and fares up 25% in real terms over a decade.

The Centre for Cities has recently published a [report](#), *Miles better: Improving public transport in the Glasgow City region*. This report models the benefits of using the powers in the Transport Act to improve bus frequencies and integrate public transport modes. Unlike Glasgow, most people within 30 minutes of Edinburgh centre by bus have a frequent service.

Conclusion

New legislation gives an opportunity to radically improve Scotland's bus services and correct the decline brought about by bus deregulation. While we understand the reasons for the franchising campaign, we believe the focus should be on the best option, municipal ownership, like the Lothian Buses model.



Jimmy Reid Foundation

The Jimmy Reid Foundation is a think tank which brings together different voices from across Scotland to make the case for economic, environmental, political and social equity and justice in Scotland and further afield.

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