



Position statement 6

Network approach

This statement sets out shared principles for what a partnership agreement could contain on network design.

Objectives

The PTEs are keen to be involved in network design to achieve the objectives outlined in local Bus Strategies and Local Transport Plans.

Operators will be keen to be involved, particularly but not exclusively where opportunities exist to generate modal shift.

Why should network design be considered as part of a partnership?

- To identify and share the benefits from planning the network as one. The PTE can improve its understanding of the costs and benefits of various options and make longer term commitments on the level of service that will be delivered to the public. Operators will be able to optimise their resources.
- Building on the above, achieve improved efficiency for the parties, affordability and legibility and stability for the user.
- To ensure networks satisfy a balanced range of objectives including profit generation, passenger growth and enhanced accessibility, with agreed minimum service level coverage and frequency.
- Focus on an agreed set of design principles that reflect the public interest.
- Support and streamline the approval of qualifying agreements
- Maximise the benefit of modelling and planning tools owned by one of the parties.
- Assist in the preparation of persuasive bids for central funding such as kick start.

Partnership agreements

How will we work together?

- This would be decided at a local level.
- The approach can be drawn from a spectrum of operator involvement ranging from operator secondments to complete network design exercises against a shared brief, to data provision to support network design decisions, to operator representatives critiquing network proposals.

- Input from local council partners would be obtained but equally findings would output to local councils to influence infrastructure programmes.

What are the stages of partnership network design?

- Whilst the supporting details will be agreed at a local level, the network design process will include some key common stages :
 - a. All partners to share design objectives and principles – what are we trying to achieve? The objectives will build on those issues listed in (1). Examples of key principles include improving frequency, accessibility, stability, to optimise the benefit of a proposed highway improvement or prepare for a new significant local amenity.
 - b. All partners to agree their involvement in design.
 - c. A design protocol/ brief will be agreed a local level.
 - d. A process for the evaluation of the success of the network will be required.
 - e. A consultation plan and protocol must be established for introduction and change.
 - f. The partners will need to consider the extent to which the agreement they reach will affect competition in the network. Detailed guidance on the application of competition law to voluntary agreements is available on the OFT website.
 - g. Agreement reached on factors which will trigger change or review of the network such as variation in demand, and the process for implementing or controlling change e.g. consultation and notice periods.

How will an approved network be implemented?

- This will be agreed at a local level. A combination of solutions may be appropriate. Examples include :
 - a. Partnerships – bilateral, multi-operator or qualifying agreements using revised competition legislation and guidance.
 - b. Using tendered services, de-minimis regulations and other public sector contributions (possibly using well being powers).
 - c. A holistic approach may be taken in respect of the commercial benefit of a network of services/routes rather than considering

each on a stand-alone basis. This may be part of a package in which increased commercial benefit in one or more aspect of operation, is balanced with reduced commercial benefit elsewhere. Any proposals must ensure compliance with the relevant competition legislation. Further detail can be found via the following link :

http://www.ofc.gov.uk/shared_ofc/business_leaflets/general/ofc397.pdf

- Partners will need to decide whether to introduce the agreed network all at once or in phases. If the latter approach is adopted, and any of the phases rely on something that is not certain at the beginning of the process (such as the availability of funding) this needs to be set out clearly at the start.

Summary of the joint position

Areas of agreement

- Both parties accept this area is an appropriate and powerful inclusion in a partnership agreement.
- Both parties accept that network design responsibilities can be agreed at a local level, considering available benefits and knowledge, and be drawn from the spectrum contained within the paper.
- Both parties accept the design process framework is comprehensive and appropriate.