

Unite the Union submission to the Transport Select Committee call for evidence: Buses connecting communities

This response is submitted by Unite the Union, the UK and Ireland's largest trade union with 1.2 million members across the private and public sectors. The union's members work in various industries including transport, manufacturing, financial services, print, media, construction, energy generation, chemicals, local government, education, health and not-for-profit sectors. Unite also organises in the community, enabling those who are not in employment to be part of our union.

In the arena of transport, Unite represents over a quarter of a million members in all transport modes, making it the largest transport union in the UK.

Unite has obtained the views of our members through our lay member committees at the national and regional levels. Therefore, Unite is in a unique position to submit a response to the Transport Committee's call for evidence on: Buses connecting communities.

Executive Summary

The Labour Government's policy to tackle the decline in bus services is a bold attempt to reregulate the bus market which Unite welcomes. Unite believes that allowing all local authorities the power to control how local buses are run would vastly improve the frequency and standard of service.

The majority of local bus services in England are provided by private companies. Since the industry was deregulated in 1986 under the Transport Act 1985, bus operators have been able to set their own routes and fares, resultantly most cities lost control of their bus routes, fares setting and reallocation of fare revenues and subsidies and overall quality of their bus networks¹. Continual consolidation and mergers have meant that the five largest private bus operators, Arriva, First, Go-Ahead, National Express and Stagecoach, carry 70% of all passengers².

The Competition Commission has said there is a lack of competition in the bus market, which means lower quality services and higher fares. They found that only 1% of bus services face head-to-head competition.³ Allowing private bus companies to compete against one another for passengers was supposed to drive down fares and improve services. The opposite has happened. Bus fares have more than tripled since deregulation in 1986⁴, hitting low-income households hardest.

Although not in this consultation, the government should have regard to the working conditions of bus workers when developing bus policy. Poor pay and health and safety issues faced by bus drivers have sparked a retention crisis in the industry, preventing operators' ability to deliver services on time, which ultimately results in passengers seeking alternative modes of transport. Driver fatigue is gravely impacting bus drivers and Unite continues to lobby for proper implementation of the European driving hours regulations in the UK as bus drivers are driving for longer periods and over greater distances than their European counterparts. The 50km route

¹ Centre for Cities: **Delivering change — improving urban bus transport**. [Link](#).

² 'Bus market not competitive, says Competition Commission'. [Link](#).

³ http://webarchive.nationalarchives.gov.uk/+http://www.competition-commission.org.uk/inquiries/ref2010/localbus/pdf/00_sections_1_15.pdf

⁴ Davis et al., 2012 A minimum income standard for the UK in 2012: Keeping up in hard time

distance rule should not be exceeded by any company simply by stopping to change the route number of the bus. This is a matter of public safety on our roads. Additionally, bus worker issues need to be addressed in the current Bus Bills which is going through parliament, these issues include:

- Bus workers in the industry deserve to be represented as much as the bus passenger representatives who have already been given statutory consultee status. Therefore, Unite calls for trade unions representing bus workers to be recognised as statutory consultees. This was recommended by the Transport Select Committee in 2019.
- Bus workers are now organised through patchwork coverage of individual agreements not covered under a robust national agreement. This has created a race to the bottom on workers' pay, terms and conditions, with comparators often based on the lowest common denominator. Unite calls for all awarded bus contracts, to include collective bargaining at its core. Unite would also wish to see pay, terms and conditions within the bus network negotiated nationally under a national bargaining agreement, except where there are established bargaining arrangements with trade unions to ensure decent pay working conditions across the industry, this would improve retention in the sector and bring down cost of recruitment and service cancellations due to staff shortage.
- Pensions Protection - Regulation needs to be put in place to allow an independent pension actuary to assess if a new operator's pension provision is the same as the rights the transferring original employee had as an employee of the original operator, or under provision made by regulations, count as being the same as, or better than, those rights.
- Additionally Unite is concerned about minimum terms and conditions and pension standards for new employees who are not covered by TUPE. There is currently no protection for new employees who are not covered by the TUPE and pension protections in the way current employees are.
- The licence for London covering 25000 bus workers in the capital was launched in January 2017 by Unite and the Mayor of London, Sadiq Khan, and puts an end to the previous system where bus drivers moving from one bus company to another would be paid the lowest driving wage as if they were starting their careers, even though they may have driven with another company at a pay grade equivalent to their level of service and experience. Unite's shop stewards, members and officers at London Buses are to be congratulated on this landmark achievement. Unite would like to see this replicated across other cities in Great Britain.

Q. (a). How the Government's proposed reforms of powers over buses in England, and recently announced funding, should take into account the particular challenges of rural areas and local authorities outside major cities, and how authorities in these areas can make best use of those powers and funding.

Public ownership for accessible, affordable and sustainable bus services

The latest National Bus Strategy for England (NBS), sets out the vision and strategy to “transform the quality of bus services in England outside London, seeking to make buses more attractive, convenient, good value and popular for all to use⁵”. Statutory framework for the delivery of this strategy is contained in the Bus Services Act 2017, the legislation is an improvement from the bus deregulation in that it provides an opportunity for new partnerships to be formed by local transport authorities in England to include bus operators and local stakeholders (outside London). Indeed, the NBS seeks to depart from bus planning for purely commercial purposes, within which over the last 4 decades we have seen hundreds of bus routes cut and services diminished.

Unite promotes public ownership of our bus services and believes there should be a legal presumption in favour of re-regulation. Unite is calling for a transport strategy that includes a commitment to investment to build an accessible, affordable, integrated and accountable public transport system that is also part of tackling climate change and transport poverty across Great Britain. We believe in a safe transport system with decent employment standards, equality and protection for transport workers. Devolving transport powers should not result in the damaging fragmentation of public networks, nor compromise the need for a properly accountable and integrated transport system.

Overall, Unite supports this government's pledge to address the significant decline in bus ridership, this decline is a consequence of deregulating bus services which has allowed bus services in England to be run on a commercial basis wherein bus operators can cherry-pick profits from the more profitable routes, extracting revenues which local authorities could otherwise use to improve the bus network⁶. This means taxpayers are subsidizing corporate profits, while operators provide an expensive, unreliable, and often dysfunctional bus service.

The practice of cherry-picking profits from prime routes has resulted in other services being provided through public funding at disproportionately high costs. This public subsidy, including fuel duty rebates and grants for concessionary fares, makes up 45% of funding in the industry⁷. Ultimately this has led to cuts in bus services, especially across socially desirable routes exposing many communities across England.

Addressing transport poverty

Unite believes the lack of affordable and accessible transport options is hindering people on low incomes from accessing essential services or work⁸. Access to reliable and affordable transport can mean the difference between being able to work and being locked into welfare dependency. Statistics from DWP⁹ reveal that 64% of jobseekers do not have access to a car, and two in five say lack of affordable transport is a barrier to getting a job. In addition, transport costs can also

⁶ TfQL: Building a world class bus system for Britain. 2016

⁷ <http://weownit.org.uk/evidence/buses>

⁸ Sustrans: Locked Out. [url](http://www.sustrans.org.uk)

⁹ Department for Work and Pensions: 21st Century Welfare. 2010

easily wipe out modest financial gains from entering or returning to work¹⁰, and difficulties in accessing childcare by public transport can present a further barrier for working parents¹¹.

According to the latest [National Travel Survey](#) people living in England, outside London, rely on cars for commuting, in urban areas 70% of commuting trips are made by car, and this increases to 81% in rural areas (excluding London). As with the previous National Travel Survey, the decline in bus use is largely attributed to income, quality and cost of bus services.

The Survey also reveals an 8% increase in average bus trips by buses in 2023 compared to 2022 and attributes this to the national £2 bus fare cap which came into effect on buses outside London from January 2023, which demonstrates the importance of affordable bus travel. Unite is concerned this cap was increased to £3 by the current Labour government and warns this will have unintended consequences for bus ridership.

How authorities can make best use of those powers and funding

Almost half of all bus routes in England currently receive partial or complete subsidies from councils and are under threat as councils in England face an overall funding gap. Unite is concerned that this has caused significant cuts on bus routes, particularly in rural areas and isolated areas, putting jobs at risk and increasing social isolation.

Unite believes that giving councils control over the Bus Service Operators Grant Plus (BSOG+), a fuel duty rebate currently paid directly to bus operators, would also enable councils to protect vital bus routes and provide them with the funding needed to deliver an effective and efficient bus service.

Q. (b). The effectiveness of recent Government policy in tackling declines in bus services.

While in opposition, the Labour Party was rightfully critical of the Conservative government's underfunding for BSIPs, out of 79 LTAs who applied for funding only 34 received it and despite bidding for £9 billion only £1.3 billion was delivered. However, in the 2024 budget, the new Labour government pledged £9.25 million for local authorities to "*introduce new bus routes, make services more frequent and protect crucial bus routes for local communities.*" The total funding for bus services is around £1.1 billion, this is for 2025/2026, and we are yet to see how funding will be sustained after this period.

Unite is pleased the new Labour government is seeking to address postcode lottery in bus funding by pledging to calculate funding amounts to local transport and based on "*place need, levels of deprivation and population*"¹².

A sustainable bus sector for passengers and for bus workers

Crucially we need sustainable funding for the bus sector. According to a Unite commissioned report from Transport for Quality of Life (TfQL), the London funding model if applied nationally would bring annual financial gains of £340m and municipal ownership would bring in £506m in

¹⁰ Sustrans: Locked Out. [url](#)

¹¹ Department for Work and Pensions: 21st Century Welfare. 2010

¹² DfT Press release, £1 billion government funding boost for bus services across England to help end postcode lottery, 17 November 2024

financial gains. The report also states if London came under full municipalisation, it would immediately save £60m in retained dividends¹³.

Bus improvement funding should also be utilised to improve pay, terms and conditions for bus workers, without whom buses cannot run. The NBS missed a great opportunity to introduce minimum standards for bus drivers' pay and conditions and ignores the growing crisis of fatigue which results in accidents and leads to long-term health problems for drivers and puts passengers and other road users at risk.

The latest figure on bus driver shortage stands at **4,000 drivers**¹⁴. Data from the Department of Transport demonstrates that over the past decade (in England outside London) **16,000 bus driver jobs have been lost** and in 2020 (the first year of the pandemic) we lost **2000 bus worker jobs** (in England outside London)¹⁵. Another dataset from the DfT found bus **driver earnings have dropped by 10% in 2020** and are lower than 10 years ago¹⁶.

In November 2021 Unite surveyed all lay members in the bus sector on the scale of bus driver shortages at their bus garages; their responses highlighted a sector with an imminent labour shortage crisis. The results revealed;

- **99% stated there were significant bus driver shortages at their bus garages;**
- **46% stated their garage had lost between 20 to 40 drivers;**
- **91% said the shortages were a result of low pay;**
- **89% said this is down to working conditions and 68% said it was due to working long hours;**
- **Resultantly 43% of respondents said bus driver shortages were to blame for services being cancelled, particularly affecting the safety and financial wellbeing of women who are more reliant on buses to travel to and from work.**

The consequence of driver shortage resulting in service cancellations has a profound impact on the safety of those finishing work late at night. The issue is particularly acute for women, who make up a significant proportion of the nighttime economy, working in hotels, bars, clubs, warehousing, food production and care and health services. These workers who are more likely to be women on low pay and insecure work are disproportionately more likely to experience sexual harassment in a public space and are more reliant on buses. Indeed Unite' Get Me Home Safely campaign was developed from concerns about safe travel at late and unsocial hours when bus services are unreliable and in many areas non-existent.

¹³ https://www.transportforqualityoflife.com/u/files/160120_Building_a_world-class_bus_system_for_Britain_FINAL1.pdf

¹⁴ <https://www.independent.co.uk/news/uk/home-news/hgv-jobs-bus-driver-shortages-b1944363.html>

¹⁵ <https://www.gov.uk/government/collections/bus-statistics>

¹⁶ Ibid

Q. (c). How effectively bus services function as part of integrated multi-modal networks that improve mobility for people who live in areas with declining services.

Rural mobility

Profit driven bus operators have caused many rural areas to become ‘*transport deserts*’ with little to no transport connectivity and off-peak bus services. Unite spoke to its equality committee activists, which included representatives from the women’s committee, retired members and BAEM committees, who shared their concerns about accessing bus services in rural areas, Unite is aware that in some rural areas, the last bus is at 6 pm.

There are significant disadvantages faced by people who live in rural areas with a lack of bus services impacting their employment and educational prospects as well as difficulties accessing health services and amenities. Older people are particularly impacted by this with many experiencing social isolation as a result of this. While the NBS promises large amounts of funding, actual new funding that is immediately available appears to be limited.

Furthermore, Unite believes the new investment will not reverse cuts by cash-starved local authorities, particularly in rural areas, which have resulted in the withdrawal or reduction in service of over 3,000 bus services since 2010, with a large percentage of local authorities no longer spending anything on supporting bus services, leading to social exclusion and reduced connectivity.

There is a significant lack of integrated multi-modal networks outside of London and Manchester, though we are seeing improvements in inner city areas such as Birmingham. Unite believes multi-modal ticketing, partnerships bus and rail services would greatly improve connectivity. This should be organised via Strategic Authorities as suggested by the English Devolution White Paper, and Unite call for Strategic Authorities to involve trade unions in the local decision-making process, trade unions representing workers across all sectors of industry, understand the transportation needs of workers who rely on public transport and as such are well equipped to advise local and strategic authorities to ensure services meet the needs and requirements of the local population.

Q. (d). The social and economic impacts of poor connectivity on access to education, healthcare, employment, and social inclusion in communities, as well as on the economy of towns and villages.

Efficient and affordable buses are vital to the economy and around 8.5% of all workers normally commute to work by bus. Buses provide greater access to education and jobs and play a vital role in reducing emissions and road congestion¹⁷. For the elderly and most vulnerable groups in society, buses are key to addressing loneliness and social exclusion. Yet funding for supported buses has significantly reduced through deregulation leaving many rural and some urban areas without public transport.

Arguably people living in rural areas face significant disadvantages with the lack of bus services impacting their employment and educational prospects as well as difficulties accessing health services and amenities.

¹⁷ Better Transport: Buses in crisis. 2018 [url](#)

Job seekers and young people are heavily reliant on buses, a recent study by the Institute for Transport Studies found that 75% of job seekers do not have access to a car¹⁸ and annual bus statistics show young people make more bus journeys than any other age demographic¹⁹, There is a significant relationship between accessibility by bus employment, education and inclusivity.

Inadequate and expensive public transport and hostile walking and cycling environments – are forcing millions of people to choose between debt and social exclusion. The government must tackle transport poverty to ensure a fair public transport system must be affordable to all. Our transport planning system penalises people who cannot afford a car, who struggle to cover rising public transport fares and who lack access to public or private transport because of age, disability or where they live. Unite is also concerned about how women who are more likely to rely on local buses, less likely to commute by car or train, more likely to be part-time and disadvantaged by the high cost of season tickets, and more likely to need transport for caring responsibilities as well as paid work²⁰.

Q. (e). The effectiveness of current funding models and governance structures in enabling local transport authorities and commercial operators to improve, sustain and keep bus services outside major metropolitan areas affordable, and the potential effectiveness of alternatives.

As discussed in (a) and (b) of this response.

Q. (f). Evaluating the potential of alternative service models, including Demand Responsive Transport (DRT) and community transport, and other innovations or technologies which could support or replace buses serving less populated communities, and what steps the Government should take to support them.

Unite is concerned that on-demand app-based services will lead to the “*uberisation*” of bus operations creating a two-tier bus service which will exclude vulnerable groups, damage timetabled services, result in unhealthy competition between competing bus operators and lead to a casualisation of drivers’ employment.

Unite also understands that trials of app-based services have been a failure, as passengers frequently experienced long delays before reaching their destination as other passengers were dropped off first. We received examples of 20-minute journeys taking over two hours on a non-timetabled service.

Additionally, councils are warning that DRT services are not a substitute for government investment in traditional bus services, with less than 20% of councils saying they are financially sustainable to operate in the future, with 95% of services operating at a loss²¹.

¹⁸ Johnson, J., Makie, P., and Hines, J. ‘Uses and the Economy II’, Institute for Transport Studies, University of Leeds, 2014.

¹⁹ National Travel Survey: Annual Bus Statistics – published Dec 24. [Link](#)

²⁰ ILO: Making the Connections: Final Report on Transport and Social Exclusion. 2003 [Url](#)

²¹ Route One: CCN survey: 95% of councils run DRT at a loss. Published October 25, 2023 [Link](#).

Findings from a survey carried out across the County Councils Network which looked at the scale of DRT services being rolled out by local authorities, found that 88% of councils within this network preferred long-term funding to subsidise existing and new routes in place of DRT²².

Unite believes DRT is unnecessary if reliable and regular bus services are provided. To replace scheduled bus services in less populated (rural communities) with DRT would further restrict access to buses these scheduled, timetabled services were substituted. Isolating communities further with DRT is a backward step and counterproductive to the franchise and indeed public ownership models the Government is seeking to adopt across the country.

Unite is also concerned about the use of app-based journey planners and transport booking technologies fail to consider infrastructure issues across many rural areas where broadband and mobile connectivity issues prevent passengers in these areas from making use of such innovations.

Q. (g). How successful Enhanced Partnerships (EPs) have been so far in improving bus services outside major urban areas, whether franchising is likely to provide a better framework for these areas, and whether there are alternative models worth exploring.

Unite believes enhanced partnerships have limitations, for example, bus operators cannot be required to charge a set price for their own, single-operator tickets, and proposals must receive majority support from the bus operators, otherwise, they cannot be taken forward. The partnership proposals do not dictate the price of bus operators' tickets or compel them to run services that they do not wish to operate.

In Unite's view, partnerships are a weak alternative to existing arrangements and certainly not a substitute for robust regulation. Unite's experience of partnerships has been disappointing. Trade unions are not consulted when partnerships are formed and all too often operators abandon the partnerships claiming commercial reasons and face no penalty.

Unite believes trade unions should be a statutory consultee as previously mentioned in this submission. Enhanced partnerships should not be agreed upon solely between the local authority and operator but should include all statutory consultees including trade unions.

Responding to our survey question concerning the impact of enhanced partnerships on buses, only 28% of our members in the bus sector felt the policies had a positive impact on bus service provision.

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Bobby Morton – Unite the Union Passenger Transport National Officer January 2025

For clarifications and more information please contact:

Irina Do Carmo - Research Officer

²² CCN: *Three in four rural authorities roll out new 'demand-responsive' transport, but warn that they are not a substitute for traditional bus services.* 25th October 2023. [Link.](#)