

Policy Briefing

June 2025

Bus Services (No. 2) Bill – RMT evidence to the Bill Committee

RMT is the UK's largest specialist transport union. We organise bus workers in England (outside London) and have thousands of members in the sector, who stand to be impacted by the Government's reforms being introduced via the Bus Services (No.2) Bill. We would urge the Committee to give consideration to the views of bus workers as part of its scrutiny of the Bill.

Background and the need for legislation

The bus sector in England (outside London) was deregulated and privatised in the 1980s by the Transport Act 1985. This left Local Transport Authorities (LTAs) beholden to the commercial interests of private bus operators that are free to 'cherry pick' whichever services they want to run for a profit. As a result, bus services are often unreliable and expensive, there have been significant cuts to services, with local authorities left to subsidise any routes deemed non-profitable by operators. There were 482 million, or 29%, fewer bus services kilometres operated in England (outside London) in 2024 compared to 2005, and during that period, the number of bus workers reduced by nearly 20,000 (24%).¹ Labour analysis shows that between 2010 and 2023 there was a loss of more than 5000 bus routes.

Running bus services on a commercial basis, rather than as a vital public service, also means that there is little to no integration between bus services and the wider public transport network.

It has been estimated that in a decade nearly £3bn in dividends was paid out by the private bus operators in shareholder dividends², but, perversely, the only way that the bus companies are able to maintain this level of profitability is because they are so heavily subsidised by local and national government. In the decade prior to Covid, the bus operators in England (outside London) received, on average, more than £1.3bn in net public support annually.³

At the same time, local authorities have been banned from setting up a new municipal bus company to directly deliver the bus services their communities require.

The previous Government's 2021 National Bus Strategy recognised many of the problems in the sector as a result of deregulation but failed to introduce any meaningful measures to address the problems. The inconsistent allocation of the main tranche of funding under

¹ https://www.gov.uk/government/statistics/annual-bus-statistics-year-ending-march-2024

² https://www.transportforqualityoflife.com/reports/building-a-world-class-bus-system-for-britain/

³ <u>https://www.gov.uk/government/statistical-data-sets/bus-statistics-data-tables</u>

the previous Government, which was not distributed to all LTAs, meant many areas missed out altogether, further exacerbating the postcode lottery in terms of local bus service provision.

It is clear that deregulation and privatisation is fundamentally the wrong way to run our vital local bus services. The current system isn't working for passengers and communities and is only serving the interests of profit driven commercial operators.

RMT policy

Regular, affordable and reliable local bus services play a vital role in connecting people with education, healthcare, employment, their communities and the economy, and reducing social isolation. Given the vital role of bus services for communities, RMT believes they should be run as a publicly owned vital public service, not for commercial profit. RMT believes that all local authorities should be allocated sufficient ring-fenced funding from national government to deliver their bus services via a municipal bus company that they own. This would enable local authorities to directly deliver the bus services their communities require and allow any surplus revenue to be reinvested in improving services.

Franchising (also sometimes referred to as re-regulation or public control), gives local authorities greater control over their bus services through designing the network and contracting services to operators, and could act as a stepping stone towards full municipal ownership.

RMT priorities in the Commons

During the Bill's passage through the Lords, the RMT sought to raise a number of issues of concern for our members including employment protections, health and safety, violence and anti-social behaviour and public ownership. Whilst the Government made a number of commitments in the Lords as a result of this, for instance in relation to the involvement of trade unions in guidance resulting from the Bill, there remain a number of areas where we believe that there is further action from Government needed, and these are detailed below. **We would urge the Committee to amend the Bill to ensure that these issues are addressed.**

• Worker protections

RMT's priority throughout this period of bus reform is protecting our members' jobs, pay, conditions and pensions. Deregulation has driven-down bus worker pay and conditions, creating a longstanding recruitment and retention crisis that must be rectified if the Government's goals for the bus sector are to be realised. It is essential that the introduction of franchising (or municipal ownership) does not result in a worsening of terms and conditions, nor the creation of two-tier workforces. A recently published report⁴ on bus reforms by the IPPR highlighted the importance of '*national policy coherence'* on working conditions and proposed that '*LTAs should use franchising to level up working conditions for workers in the bus industry, as in Greater Manchester'*.

To ensure protections for workers who are employed by bus companies that do not go on to bid for or win the relevant franchise contracts, RMT believes that the Bill should specify that any termination of employment for a reason connected to the introduction of a franchise or a transfer to a newly franchised (or municipal) bus service will be

⁴ <u>https://www.ippr.org/articles/en-route-to-renewal</u>

<u>automatically considered unfair dismissal.</u> We believe that the Bill should also specify that the full coverage of TUPE will apply once a local transport authority announces its franchising consultation and that the franchising area and worker transfer arrangements must be agreed with the relevant trade unions.

The Bill should also make provision to ensure that <u>bus workers' terms and conditions will</u> <u>be no worse for the duration of the franchise contract and that new employees must not</u> <u>be employed on worse terms and conditions than existing employees.</u>

Experience has shown that early and meaningful engagement with trade unions by local authorities is essential to ensuring the success of bus reforms and cannot be an afterthought. Rather than leaving it to local authorities to decide when and how to engage with trade unions, RMT believes that the Bill should require that local authorities <u>engage</u> with trade unions from the outset and establish a joint forum at local authority level with trade unions and operators to address staffing and employment matters across the franchising area. Thus far, the Government's position has been that they 'expect' LTAs to engage with trade unions, but we remain concerned that this 'expectation' will not be sufficient in all areas and will likely mean that there are inconsistent approaches to union engagement across the country.

The Government is currently undertaking a review of Enhanced Partnerships (EPs). EPs are voluntary agreements between LTAs and operators, and the establishment of EPs (in areas that were not pursuing franchising) was made a condition of eligibility for additional funding by the previous government and therefore EPs have been in place in most LTA areas for the past few years.

As part of this review, the DfT published a survey about the effectiveness of EPs, to which RMT responded. This included a question on EP stakeholder forums and listed a range of expected members of these forums including LTAs, local bus operators, representatives of passenger groups, local businesses, the local enterprise partnership and neighbouring local authorities. RMT believes it is a striking omission that trade unions, as the bodies representing the country's bus workers, are not currently required to be represented at EP stakeholder forum alongside these other organisations.

The Department has said in discussions with the unions that it will not mandate trade union representation at EP stakeholder forums but will include unions as suggested members in its updated guidance. As stated above, RMT believes that leaving such decisions to LTAs will not be sufficient in a lot of cases. The fact that LTAs have been operating EP stakeholder forums for the past few years, seemingly without any trade union involvement, reinforces this point. Whilst some LTAs may have experience of engaging with trade unions over local transport matters, this is by no means universal. We therefore believe that the Government should go further and require trade unions to be represented at Enhanced Partnership stakeholder forums.

• Health and safety

Improving health and safety in the bus sector is a priority for RMT's bus worker members. The Bill provides the opportunity to introduce measures that could significantly improve the health and safety of the sector for both passengers, pedestrians and workers.

RMT believes that decades of fragmentation and deregulation has led to poor working

conditions in much of the sector and a stark lack of oversight for health and safety. As a report into the UK's deregulated bus market by former UN rapporteur Philip Alston states "privatisation also appears to have resulted in lower quality jobs in the bus sector and unsafe working conditions⁷⁵.

There has been a failure of those in charge of delivering bus services to strive for high safety standards. A 2022 analysis of bus safety issues (outside London) by Loughborough University on behalf of the Urban Transport Group found no evidence of "leadership to systemically raise the safety standards beyond the minimum".⁶

The outcome of this is that bus workers often face significant health and safety risks at work, including fatigue, lack of access to toilets, musculoskeletal problems, poorly maintained buses, and this in turn imports more risk into the system overall.

Because the sector is run on a predominantly commercial basis, the health and safety environment is also poorly understood. For instance, it is not clear whether all bus operators ensure all safety incidents are recorded and even when data is collated, operators are not obliged to share it with local authorities. This therefore means that health and safety issues are primarily dealt with reactively, rather than in a more strategic and preventative way and there is an absence of learning lessons and sharing best practice.

Notably, measures to improve bus sector safety are largely missing from the Bus Services (No2) Bill as it is currently drafted. There were a number of amendments on safety matters tabled in the Lords during Committee stage and RMT believes that the Bill provides a sensible opportunity to address many of these issues in a coherent manner, and would urge the Committee to amend the Bill to address the following issues:

Independent safety reporting systems

RMT believes that the Bill should introduce a requirement for all bus workers to be given access to a confidential safety reporting system (such as CIRAS) at work and for trade unions to be consulted on any issues that arise from this system. This would reflect what already happens in the rail sector and enable bus workers to report safety concerns confidentially without any fear of repercussions. In a survey of RMT bus worker members, that was submitted to the Transport Select Committee's recent inquiry⁷, fewer than a third of members said they currently have access to such a system at work.

Bus safety data

Comprehensive data collection is vital for maintaining transparency, identifying trends and implementing pro-active (as opposed to reactive) measures. Yet, in the bus sector in England outside London (unlike in the rail sector) there is no routine collection or publication of bus safety incident data, with bus operators often hiding behind 'commercial confidentiality'. In our survey, more than half of bus workers reported that they did not receive this information from their employer. As academics from Loughborough found in a report for the Urban Transport Group:

⁵ <u>https://chrgj.org/2021-07-19-governments-new-strategy-grossly-inadequate-says-former-un-rapporteur-philip-alston/</u>
⁶ <u>https://www.urbantransportgroup.org/system/files/general-docs/UTG%20bus_safety_report_Feb_2022.pdf</u>

⁷ https://committees.parliament.uk/writtenevidence/139012/pdf/

"the rest of England [outside London] does not have a centrally coordinated regional source of bus incident data as most data is held at individual operator level and used for their own purposes and very rarely, shared, if at all. Unfortunately, this means that the rest of England is reactive in its approach to bus safety and more likely to learn lessons after an event rather than use data to pre-empt any issues."⁸

RMT therefore believes that the Bill should introduce a <u>requirement for LTAs to make it a</u> <u>condition of their franchise/enhanced partnership/municipal bus company that bus</u> <u>operators must provide them with bus safety incident data that the LTA then publishes</u> <u>and shares with trade unions.</u>

Bus accident investigation branch

Unlike in the rail, maritime and aviation sectors, there is no independent bus safety investigation branch. For instance, in the rail sector, the Rail Accident Investigation Branch (RAIB) will undertake investigations following accidents or incidents with the purpose of improving safety and making recommendations to preventing similar incidents in the future. The RAIB does not apportion blame or liability.

As the Loughborough University report highlights, in the bus sector '*investigations are normally carried out by the individual bus operators, in addition to any criminal investigations the police may need to carry out, but data is often not shared beyond the operator, making it difficult to learn from these incidents or make any recommendations at a national level*^{'.9}

RMT believes that the lack of independent safety investigation is problematic, and internal investigation risks a lack of impartiality. RMT has concerns that blame can be placed unduly on bus drivers without proper investigation into the circumstances around the incident, for instance bus faults or long working hours. The failure of bus operators to share this information also makes it difficult to learn lessons from incidents and establish examples of best practice. <u>RMT believes that the Bill should include provision for the establishment of an independent bus safety investigation branch.</u>

Bus driver hours and breaks

Currently, the rules governing the working hours of local bus drivers (routes of 50km or less) are significantly less stringent than those governing long distance or heavy-goods drivers. The current rules for local bus drivers permit up to ten hours driving a day, and up to 16 hours of work. The minimum break requirement during shifts is just thirty minutes after 5 hours 30 minutes of driving. The requirement to have a continuous break of at least 10 hours between two consecutive shifts can be reduced to just 8.5 hours up to three times a week. The rules require just one period of 24 hours off duty every two consecutive weeks. To put that into context, it is entirely legal for bus drivers to drive for 130 hours across two weeks, with just a 30-minute break after 5.5 hours driving.

In contrast, long-distance and heavy goods drivers are legally restricted to 9 hours driving a day (can be extended to 10 hours twice a week), 56 hours driving a week and 90 hours over two consecutive weeks. They are also required to take a break of at least 45 minutes after a maximum of 4 hours 30 minutes driving and at least 11 hours rest every day (can be reduced to 9 hours 3 times in any 2 weeks).

⁸ https://www.urbantransportgroup.org/system/files/general-docs/UTG%20bus_safety_report_Feb_2022.pdf

⁹ https://www.urbantransportgroup.org/system/files/general-docs/UTG%20bus safety report Feb 2022.pdf

The Transport Select Committee has previously highlighted concerns about the long hours faced by local bus drivers, and in its 2019 Health of the Bus Market Inquiry, the Committee's report stated that:

"We are concerned that recruitment and retention in the bus industry is hampered by long hours and poor pay. Long hours are also a concern for safety. We urge the Government to explore how recruitment and retention in the bus industry can be improved and recommend that it consult on whether legislation governing bus drivers' hours in Great Britain is still fit for purpose, or whether it should be amended, for example as is proposed by the Bus Drivers (Working Hours on Local Routes) Bill 2017-19".¹⁰

The Bill referenced was a private members Bill introduced by Matt Western MP after a road traffic collision led to two fatalities, and which involved a bus driver who had worked an average of 72 hours per week in the month leading up to the accident. The Bill sought to bring the rules governing local bus drivers' hours in-line with long distance drivers. The Bill was not supported by the Government at the time, and consequentially, there have been no amendments to the rules governing local bus driver hours.

RMT believes that the current Bill should include provision to bring the rules governing local bus drivers' hours and rest breaks in line with those for long-distance drivers, and crucially, with no loss of pay.

Furthermore, the rules governing bus driver hours also only require a break (of 30 minutes) after 5.5 hours of **driving** rather than 5.5 hours **on duty.** This therefore means that in reality, bus drivers often go for more than 5.5 hours without a scheduled break. Therefore, <u>the Bill should amend the rules to require a break after a maximum of 5.5.</u> hours on duty. RMT believes that the minimum break should be 45 minutes, in line with the rules governing long distance drivers.

DVSA bus fire forum

RMT also has concerns about the prevalence of bus vehicle fires and the potential risk they pose to our members.¹¹ In 2023, the DVSA published the findings of an investigation it undertook into bus fires from 2020 to 2022.¹² This noted that the number of bus fires reported to the DVSA had increased in recent years. As a result of this investigation, the DVSA and employer body Confederation of Passenger Transport (CPT) agreed to convene a forum on bus fires to review the report's recommendations and bus fire reports submitted to DVSA. Given the potential impact of bus fires on our members, RMT believes it is vital that trade unions are also members of this forum, and we believe the Bill should make provision to require trade union representation at the bus fire forum.

• National bus forum

Unlike the rail sector, there is no industry-wide approach for buses, and this has made it difficult to address sector-wide issues in a coherent and consistent way. For instance, as RMT set out in its evidence to the Covid inquiry, there were useful and well structured

¹⁰ <u>https://publications.parliament.uk/pa/cm201719/cmselect/cmtrans/1425/1425.pdf</u>

¹¹ See, for instance: <u>https://www.cornwalllive.com/news/cornwall-news/bus-burst-flames-a30-just-9243085</u>

¹² https://www.gov.uk/government/publications/investigation-into-bus-fires-reported-to-dvsa-from-2020-to-2022/investigation-into-bus-fires-reported-to-dvsa-fires-reported-to-dvsa-fires-reported-to-dvsa-fires-reported-to-dvsa-fires-reported-to-dvsa-fires-reported-to-dvsa-fires-reported-to-dvsa-fires-reported-to-dvsa-fires-reported-to-dvsa-fires-reported-to-dvsa-fires-reported-to

industry-wide discussions in the rail sector during the pandemic, however, due to its underlying structural issues (i.e. fragmentation and deregulation) there were no such discussions in the bus sector.

RMT is therefore supportive of the creation of a National Bus Forum comprising government, unions, LTAs and operators, as championed by the Transport Select Committee in its 2018 inquiry into the Health of the Bus Market in England. The Committee, which was then Chaired by Lillian Greenwood MP recommended that the Government's bus strategy should be: "*underpinned by a national forum involving representatives from bus operators, trade unions and other stakeholders to examine and share information on issues such as improving services, recruitment and retention, skills, apprenticeship and bus safety*".

RMT also believes it would be beneficial for the Government to have such a forum in place to enable it to have oversight of how its reforms are being implemented and to gather examples of best practice for improving services and safety, and to share this with stakeholders including the unions. <u>We believe the Bill should include provision to establish</u> <u>a National Bus Forum as described above.</u>

While RMT does not organise in areas that have already implemented franchising, such as Manchester and London, we believe <u>the Government should work with unions to learn</u> <u>employment and safety lessons from areas already operating franchising, to ensure that</u> <u>passenger and staff safety is at the forefront of bus reform, and to publish its findings of</u> <u>these assessments.</u>

• Violence and anti-social behaviour

The Bill as originally drafted, introduced an obligation on bus operators to ensure that bus drivers and other frontline staff undertake '*training to enable them to identify, respond appropriately to, and where possible prevent*' criminal offences that cause a victim to fear for their personal safety (including violence against women and girls) and ASB.

In response to concerns raised in the Lords and others including RMT about the potential impact of these proposals on bus worker safety, the Government has since clarified that bus drivers are not expected to leave their cabs as a result of these new training requirements and has amended the Bill to state *'training to enable them to identify, respond appropriately to, and <u>where safe to do so</u> prevent'. The Government has also confirmed that it will be producing guidance for bus operators on the content of this training and that trade unions will be consulted in the preparation of this guidance.*

RMT will engage with Government on the production of its guidance, but we also believe it is vital that alongside the introduction of the significant new training requirements on bus workers, the Government must recognise that bus workers themselves are also at significant risk of violence and abuse at work. Therefore, these new training provisions must be accompanied by additional protections for bus workers.

Following a vote in the House of Lords, an amendment was incorporated into the Bill making it a requirement for bus operators to record data about assaults and violent behaviour on their buses and share it with their LTAs, and for LTAs to consult with trade unions on any issues relating to staff arising from the data.

The Government has indicated that it will seek to remove this clause from the Bill citing concerns around additional 'burdens' on operators and data protection. Yet, RMT believes this position contradicts its stance with regards to the introduction of the training which will be a substantial new obligation on operators. We believe that it is an inconsistent approach to require bus operators to train their frontline staff on identifying, responding to and where possible preventing violent and anti-social behaviour on buses, but in the same vein not require operators to collect data about the prevalence of these behaviours on these services, nor require the sharing of data that relates to staff with the organisations representing bus workers.

It is difficult to see how the Government intends to evaluate the success of the rollout of this training, including in relation to its goal of halving violence against women and girls, without accompanying it with a requirement on data collection and sharing. <u>RMT therefore believes that the clause should remain in the Bill or suitable alternative wording incorporated.</u>

• Municipal bus companies

RMT believes that the removal of the ban on new municipal bus companies through this Bill is an important step towards to the full re-municipalisation of local bus services. RMT firmly believes that where local authorities opt to set up their own bus company that <u>they</u> <u>should be able to directly award contracts for all or parts of their network to that company</u> <u>without having to compete with commercial operators or put contracts out to tender.</u> A recently published report¹³ by the IPPR advocated direct awards to municipal operators.

This could deliver significant savings and efficiencies for local authorities and enable them to directly deliver the bus services their communities require without any profit leakage to commercial operators. Research by Transport for Quality of Life has estimated that around £500m a year could be saved through the re-municipalisation of bus services in Britain (outside London) through the retention of excess profit, unified network design and savings from no longer having to tender for services.¹⁴

The Government has, thus far, declined to allow LTAs to directly award bus services to their municipal bus company citing the impact on 'fair competition with private operators' and RMT is concerned that the Government appears to be moving away from public ownership as a model for delivering bus services. This is despite the overwhelming evidence which exposes commercial operation of local bus services as a fundamental failure. RMT believes that the Government needs to go further than it has thus far in supporting public ownership of buses and provide a firmer commitment to public ownership. <u>RMT believes that the Bill should require the Government to make, and publish, a transparent assessment as to how publicly owned operations can deliver a better service than commercial operation.</u>

¹³ <u>https://www.ippr.org/articles/en-route-to-renewal</u>

¹⁴ https://www.transportforqualityoflife.com/reports/building-a-world-class-bus-system-for-britain/

List of suggested amendments

The proposed amendments in this briefing are as follows:

- Provision to establish a National Bus Forum as championed by the Transport Select Committee.
- For any termination of employment for a reason connected to the introduction of a franchise or a transfer to a newly franchised (or municipal) bus service to be automatically considered unfair dismissal.
- Provision to ensure that bus workers' terms and conditions will be no worse for the duration of the franchise contract and that new employees must not be employed on worse terms and conditions than existing employees.
- A requirement for LTAs undertaking franchising to establish a joint forum at local authority level with trade unions and operators to address staffing and employment matters across the franchising area.
- A requirement for trade unions to be represented at LTA Enhanced Partnership stakeholder forums.
- A requirement for all bus workers to be given access to a confidential safety reporting system (such as CIRAS) at work and for trade unions to be consulted on any issues that arise from this system.
- A requirement for LTAs to make it a condition of their franchise/enhanced partnership/municipal bus company that bus operators must provide them with bus safety incident data that the LTA then publishes and shares with trade unions.
- The establishment of an independent bus safety investigation branch.
- Provision to bring the rules governing local bus drivers' hours and rest breaks in line with those for long-distance drivers, and crucially, with no loss of pay.
- Provision to require a break for bus workers after a maximum of 5.5. hours on duty as opposed to 5.5 hours of driving and to extend the minimum break should to 45 minutes, in line with the rules governing long distance drivers.
- A requirement for trade union representation at the DVSA/CPT bus fire forum.
- A requirement for the Government to learn employment and safety lessons from areas already operating franchising and to publish its findings of these assessments.
- Retention of the assaults data clause incorporated in the Lords, or the incorporation of similar suitable wording.
- Provision for LTAs to directly award contracts for all or parts of their network to a

municipal bus company without having to compete with commercial operators or put contracts out to tender.

• A requirement for the Government to make, and publish, a transparent assessment as to how publicly owned operations can deliver a better service than commercial operation.

Contact - Sophie Ward, National Policy Officer - <u>s.ward@rmt.org.uk</u>