

# Nottingham City Council

## Companies Governance Executive Sub-Committee

Minutes of the meeting held remotely via Zoom and livestreamed on YouTube on 16 February 2021 from 3.00 pm - 4.55 pm

### Membership

#### Present

Councillor Sally Longford (Vice Chair)  
Councillor David Mellen (Chair)  
Councillor Sam Webster  
Councillor Adele Williams  
Councillor Linda Woodings

#### Absent

### Colleagues, partners and others in attendance:

#### Nottingham City Transport (for minute 89 only)

David Astill	- Managing Director (incoming)
Councillor Graham Chapman	- Chair of NCT Board
Chris Deas	- NCC Shareholder Representative
Mark Fowler	- Managing Director (current)
Rob Hicklin	- Finance Director

#### Nottingham City Council

Ian Edward	- Strategic Director for Companies
Clive Heaphy	- Strategic Director of Finance
Mark Leavesley	- Governance Officer
Malcolm Townroe	- Director of Legal and Governance

### 83 Apologies for absence

Chris Henning – annual leave

### 84 Declarations of interests

None.

### 85 Minutes

The Committee agreed the minutes of the meeting held on 19 January 2021 as a correct record and they were signed by the Chair.

### 86 Work plan

This item does not contain any decisions that are eligible for call-in.

The Committee noted the work plan without discussion.

### 87 Council owned company discussion - Nottingham City Transport (NCT)

This item does not contain any decisions that are eligible for call-in.

The Committee received a presentation by Nottingham City Transport representatives Rob Hicklin (Finance Director), David Astill (incoming Managing Director) and Mark Fowler (current Managing Director).

The main points were as follows:

- i. Mark Fowler will shortly be retiring, with David Astill taking over the role of Managing Director;
- ii. currently, the UK bus industry receives funding of around £29m per week through the 'Covid-19 Bus Service Support Grant (CBSSG)' towards the shortfall between costs and revenue received in fares to ensure they have a 'break-even' position. Patronage figures in comparison to the same time during the previous year are - currently 25-28%, 10% during the first lockdown and 55% during August/September of 2020 (between lockdowns);
- iii. due to the low patronage, and following government advice to not operate education-specific services, such as for universities, some services are currently being run as they would be during the August school holidays, with some suspended and others running a 10-minute service, rather than the normal 5-minute;
- iv. from 16 January, the Travel Centre, Old Market Square, is operating reduced opening hours of Mon-Fri, 8.30am-1.30pm;
- v. all buses have hand sanitizer stations installed and passengers are asked to adhere to the 1mt social distancing rules and leave the windows open at all times for ventilation. It is also mandatory for passengers to wear a face mask unless they are exempt, and this has been met with around 80% compliance;
- vi. social distancing requirements are observed by all staff at all depots;
- vii. although there is no statutory passenger limit, due to social distancing requirements buses are running at around 50% capacity, so approximately 15 passengers on a single-deck and 40 on a double-deck bus, which is not commercially sustainable;
- viii. the bus industry is working with the Department for Transport (DfT) on 'Recovery Partnerships' for when the UK returns to something like normality. There is a need for a transition period of the CBSSG funding while patronage returns to a position that allows bus operators to become as commercially sustainable as they were before the pandemic;
- ix. the 'National Bus Strategy' is due to be released by the end of February and will include the government's plan for funding etc during any transition period;
- x. the Council and NCT already have a 'Nottingham Advanced Quality Bus Partnership' in place (considered as a model for other UK bus operators to use), which details the statutory requirements on both parties, and it is hoped this can be aligned to any DfT/government transition plan;

- xi. to become commercially sustainable again, bus operators are reliant on the public returning to schools / universities / work places, and a belief that public transport is a safe way to travel.

In response to a question regarding socially distanced capacity on buses, Mt Astill stated that as long as social distancing is in place, buses can only run at around 50% capacity, therefore not being commercially viable, and that is why some level of CBSSG must continue during the transition period.

In response to a question regarding how the Council/NCT can encourage patronage once the vaccine has been rolled out to the majority of people and lockdown restrictions are lifted, Mr Astill stated that during the pandemic, public transport use has been between 25% and 55% of what it would be normally, whereas car use has been around 80% due to people wanting to be in their own 'bubble' when making a journey. Therefore, there needs to be a major campaign of 'positive messaging' from all parties (government, local authorities and bus operators) saying how safe / clean public transport is and that there has never been any contamination from using buses etc. It will also need bus journey times to be comparable to that of a car journey.

In response to a question regarding any plans for when major city attractions re-open, such as Nottingham Castle, Mr Astill stated that as all services terminate in the city centre, therefore all city centre attractions are within walking distance, no additional plans around service provision have been made.

**Resolved that the thanks of this Committee to the following be recorded:**

- **the NCT representatives for their attendance and informative presentation;**
- **all NCT staff for their work during the pandemic to ensure a bus service continued to be operated.**

## **88 Exclusion of the public**

The Committee agreed to exclude the public from the meeting during consideration of the remaining items in accordance with Section 100(A) of the Local Government Act 1972 on the basis that having regard to all the circumstances, the public interest in maintaining the exemption outweighed the public interest in disclosing the information, as defined in Paragraph 3 of Part 1 of Schedule 12A to the Act, as the sensitive nature of the business affairs under consideration could, if made public, prejudice the ability of the companies concerned to operate effectively in a competitive market.

## **89 Council owned company discussion - Nottingham City Transport (NCT)**

This item does not contain any decisions that are eligible for call-in.

The Committee received a presentation by Nottingham City Transport representatives Rob Hicklin (Finance Director), David Astill (incoming Managing Director) and Mark Fowler (current Managing Director).

**Resolved to note the presentation.**

**90 Council owned companies - financial updates**

This item does not contain any decisions that are eligible for call-in.

Ian Edward, Strategic Director for Companies, presented the report, informing the Committee of the latest position in respect of Council owned companies.

**Resolved to note the report.**

**91 Exempt minutes**

The Committee agreed the exempt minutes of the meeting held on 19 January 2021 as a correct record and they were signed by the Chair.