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Appendix 2

A POLICY FOR SUBSIDISED BUS SERVICES IN FLINTSHIRE

APRIL 2013

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1.00 Introduction

- 1.01 This area of Policy covers public transport that the Council directly funds i.e. its subsidised bus network; Community Transport is currently not in scope. The Policy sets out the Council's criteria for supporting public transport; and does not cover the provision of concessionary bus fares.
- 1.02 The Policy recognises the ongoing need for our residents to access important services, supports the local economy, and also contributes to carbon reduction. Crucially, it recognises the very challenging economic climate. The Policy therefore seeks to ensure that the Council prioritise its financial support where it is most needed.

2.00 Legislative Background

- 2.01 Some of the bus services in Flintshire are operated commercially, by a variety of bus operators. This means that services are "registered" by the operator with the Traffic Commissioner, and the company receives no subsidy at all. In essence, commercial services have to be self funding i.e. income from fares exceeds the cost of operating them. These will tend to be daytime services on busy traffic corridors.
- 2.02 The remainder of services are known as "socially necessary" services. These can be in two forms – either providing a bus service in an area where no commercial service exists, or alternatively, operating over daytime commercial routes at times when they would generally not be viable (such as early morning, evening and Sundays), or where there is insufficient capacity on existing services.
- 2.03 There is no statutory duty upon the Council to provide local bus services or any other form of public transport but the authority does have a statutory duty under the 1985 Transport Act to keep the bus network under review, and intervene where it feels appropriate. This basically means that all subsidised services are provided on a discretionary basis.

3.00 National and Regional Context

3.01 Welsh Transport Policy Context

- 3.01.1 The Welsh Government published the Wales Transport Strategy in 2008. The strategic priorities are as follows;
- Reducing greenhouse gas emissions and other environmental impacts
 - Integrating local transport
 - Improving access between key settlements and sites
 - Enhancing international connectivity; and
 - Increasing safety and security

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3.02 In practical terms, the council's subsidised bus network contributes to all of the Welsh Government strategic priorities. There is no specific guidance as to the level of support an authority should give to its bus network.

3.03 Regional Transport Policy

3.03.1 The North Wales Regional Transport Plan was published by Taith in September 2009, as a requirement of the Wales Transport Act 2006. Taith is the joint board of the six North Wales Local Authorities working together to deliver improvements in transport provision across the region. Taith policies and objectives generally follow those of Welsh Government, with the addition of a number of relevant objectives such as:

- 3.03.2
- Seeking "Network Stability" agreements with bus operators to define levels and relative pricing of commercial and subsidised bus services to be provided through the Plan period
 - Developing innovative services such as community transport and Demand Responsive Transport
 - Promoting integration through consistent standards and ticketing

3.03.3 The Council will work collaboratively with transport operators to achieve stability wherever possible, and move to longer term contracts so services can be aligned more to commercial routes and quality further enhanced.

3.03.4 The Council will closely monitor the performance of subsidised services to ensure reliability of services and connections to other bus and rail routes, taking remedial action where necessary. As multi-operator go anywhere type tickets develop, the Council will ensure that these tickets are valid on our subsidised services, subject to appropriate reimbursement mechanisms and controls.

4.00 Support for Bus Services

4.01 Continuation of subsidised local bus services is crucial to ensure access to services, a healthier environment, and to support economic growth. The framework for provision of bus services, as set out in the 1985 Transport Act, is that the Council has no control over a large proportion of the bus network. Public transport is a business, and operators will only provide services where they can make a return on investment. Flintshire has a relatively good commercial day time service, but without support from the Council, there would be very little service beyond that core daytime service. With this in mind, the following are our main drivers for intervention:-

- 4.02
- Supporting bus services to improve accessibility to key services, sustainability and promote economic growth
 - Supporting bus services to contribute to the viability of the core commercial transport network

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- Supporting bus services to fill significant gaps in the network, within the agreed criteria, and within agreed budget.

5.00 What type of services do we support?

5.01 The following are the types of bus services the council will support, where value for money can be achieved, funding is available, and there are no viable alternatives:-

- 5.02
- Early morning services, usually provided before the normal morning rush hour, for those working early shifts.
 - Evening services, usually provided after the afternoon rush hour, through to late at night.
 - Sunday and Bank Holiday, traditionally on the same routes as weekday services
 - Services linking rural communities with each other and local town centre.(s)
 - Daytime services, in and around our local town centres, where no commercial bus services exist
 - Experimental bus services to support economic growth, promote tourism, or meet other identified unmet demand.

6.00 Framework for Reviewing Bus Services

6.01 It is suggested that the framework below is used to determine which services should continue to be supported: -

6.02 Use Red/Amber/Green analysis of cost per passenger to identify low performing services in first instance as shown in **8.00** below.

6.03 Generally, the best barometer of effectiveness is subsidy per passenger. This is calculated by dividing the annual cost to the public purse by the total number of passengers. Most authorities do monitor subsidy per passenger, and many have withdrawn services over a certain level of subsidy. The key principle of intervention would be that for services where the subsidy per trip exceeds a specific level a detailed review would be undertaken and remedial action taken. It should be recognised that in exceptional cases, cost per passenger will not necessarily determine whether a service should be subsidised (see 6.07)

6.04 Analyse those services against the passenger travel needs outlined below: -

- Accessibility** – Bus service provides access to key essential services e.g. healthcare, education, shopping and reduces social exclusion
- Economic Regeneration** – Bus Service provides access to main employment areas and supports economic regeneration by providing a

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way for business to access the workforce they need

- c. **Integration** - Integration with other modes of transport and connections with other main bus services
 - d. **Sustainability** – Consider whether bus service is providing an attractive alternative to the private car and whether it has contributed towards reducing the numbers of cars on the road and reducing carbon dioxide emissions
 - e. **Safety and Security** – Bus service provides a safer mode of transport than the private car, both for passengers and for other road users and pedestrians e.g. some school journeys
- 6.05 Where the cost per passenger is low / passenger numbers are high and the passenger travel needs are justified, re tender the service periodically.
- 6.06 Where the cost per passenger is low / passenger numbers are high, but the passenger travel needs are not justified, work with bus operators to deliver efficiencies and/or seek to commercialise
- 6.07 Where the cost per passenger is high / passenger numbers are low, but the passenger travel needs are justified, seek alternative transport solutions and/or re-tender to ascertain whether cost per passenger can be reduced
- 6.08 Where the cost per passenger is high / passenger numbers are low, but the passenger travel needs are not justified, withdraw services

7.00 **Aims and Objectives:**

As budgets come under increasing pressure it is essential that such a decision making framework is used consistently in order to:

- To monitor the effectiveness of existing services
- To decide which services should be withdrawn/reviewed, where there is a risk of budget overspend
- To determine what to do in the case of:-
 - Local bus contracts which are terminated early (perhaps due to rising costs)
 - Important commercial services are de-registered by operators (this is an ever increasing scenario as bus operators strive to control costs whilst faced with reduced passenger numbers)
- To test identified unmet demand

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8.00 Red-Amber-Green Analysis

8.01 The following are examples where the Red-Amber-Green analysis would be used to determine the level of council intervention:

Subsidy per passenger		Action
Green	Services are ranked green where subsidy per passenger trip is £2.00 or less	Service is considered good value for money and continues, performance is monitored, contract is proactively managed to continue to identify opportunities for improvement
Amber	Services are ranked amber where subsidy per passenger is between £2.01 and £5.00.	Service is placed under review, and remains under review whilst in amber category. This involves proactive work with operator to improve patronage or reduce costs, alternatives are examined, journey purpose is understood, services are integrated with other bus services, affected community and users are made aware of status in order to raise awareness and enlist support.
Red	Services are ranked red where subsidy per passenger trip exceeds £5.00.	Action required. Services will not be allowed to continue long term at this level of subsidy. Actions may include one or combination of; withdrawal of the service, curtailment of the route, reduction in frequency or number of journeys, or integrating it with another route. This is after on vehicle checks to confirm passenger numbers, appropriate notice is given to affected users, and alternatives (such as Community Transport) communicated

9.00 Managing the subsidised network

9.01 Financial pressures and increasing demand, means that it is more important than ever to manage the subsidised bus network, to ensure the Policy is followed and value for money is achieved. Management of the network will include:-

- Collation of up to date electronic passenger information data

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- Regular 'on bus' surveys to validate reported passenger levels, and also monitor quality of service and contract compliance.

- Producing subsidy per passenger league tables.

- Constantly Reviewing subsidised services to determine where better alternatives may exist on commercial services

- Encouraging operators to register to operate subsidised services on a commercial basis, where subsidy per passenger is very low.

- Working with local communities and operators to promote services to encourage greater patronage.

9.02 Specifically, where services are in the red category, the following actions will be taken:-

- All affected journeys will be surveyed in detail to validate patronage levels, evaluate options for passengers and understand journey purpose.

- Officers will examine options to reduce costs through curtailment of the service, reductions in frequency and reductions in total number of journeys, exploring alternative transport solutions.

- Consultation on options will be undertaken with affected Members and Town and Community Councils.

- Giving notice on final course of action to passengers and stakeholders

9.03 In order to allow thorough scrutiny of performance of the network, and actions taken, the following actions will be followed.

- Environment Overview and Scrutiny Committee will review service performance tables annually, including the actions taken by officers to improve the performance of services.

10.00 Fares on subsidised services

10.01 The Council has no control over fares on commercial services. However it has the power to set fares on subsidised services. Council officers will analyse commercial fare levels on a quarterly basis, and ensure subsidised fare levels on each service are closely aligned. This applies for Adult and Child fares. Holders of Welsh Concessionary Travel Passes (over 60's and those who qualify as a result of a disability) are afforded free travel within the current All Wales Concessionary Travel Scheme.

10.02 The Council supports the development of multi modal, go anywhere type ticketing, and will ensure that as these are introduced, they are available for use on Council subsidised services.

11.00 Marketing Strategy for Contracted Bus Services

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11.01 Aims and objectives: -

- To increase patronage
- To raise awareness of travel choices
- To promote public transport as a viable alternative to the private car
- To change common misconceptions

11.02 The SWOT analysis below considers internal (strengths and weaknesses) and external (opportunities and threats), which will need to be taken into account when marketing / promoting bus services

<p><u>Strengths</u></p> <ul style="list-style-type: none"> • Biggest change to public transport in Flintshire for many years • Strong commercial network with improved service frequencies and reliability/punctuality • Vehicle quality and design - newer, modern accessible low-floor vehicles on most routes • Concessionary travel has increased patronage (over-60s and disabled passengers) • Infrastructure improvements – bus stops, shelters, bus stations etc. • Partnership working e.g. externally with neighbouring Local Authorities, bus companies, Health Board and internally with planning, regeneration, education, tourism 	<p><u>Weaknesses</u></p> <ul style="list-style-type: none"> • Lack of awareness of where to access information about bus services • Historically, public transport has a poor image e.g. fear of crime, security, anti-social behaviour • Continuous monitoring and review of services • Changes to timetables by commercial bus companies do not always coincide with Council's production of publicity for services • Real Time Information system reliability • Integrated public transport information and ticketing (between modes of transport)
<p><u>Opportunities</u></p> <ul style="list-style-type: none"> • New technology e.g. internet, social networking sites (Twitter, Facebook), radio/TV/newspaper • Current review will raise the profile of bus services generally • Commercial operators have strong branding and marketing e.g. Arriva • Change of perception – positive experience and socially more responsible in terms of effects on environment • New ticketing initiatives e.g. GoCymru • Advertise on bus backs, radio drive time (e.g. sponsor traffic bulletins) • Integration of modes of transport 	<p><u>Threats</u></p> <ul style="list-style-type: none"> • No control over commercial bus fares • Funding cuts • Hospital closures could affect some services • Car use – most people aspire to owning and driving a car and see it as more convenient and quicker • Social exclusion in more remote, rural areas

11.03 Target Audience to include the following: -

- Existing passengers
- Concessionary travel pass holders (over-60 & some categories of disabled)
- Businesses and large employers located along bus routes
- Colleges/Schools & Young people – aim to encourage bus use at an early age so that they continue
- Shopping Centres/Business Parks/large supermarkets
- Car users e.g. commuters/students who have access to a car on a daily

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basis

- Leisure Users i.e. occasional users for shopping/leisure trips
- Tourists and Visitors

11.04 The above market to be targeted by way of: -

- Research & Consultation – questionnaires, bus users' surgeries, map of where large employers, schools, colleges and hospitals are located, on-bus surveys, data gathering from ticket machine reports
- Promotional material that includes timetable booklets, leaflets for large employers, posters, flyers to residents along certain corridors, newsletters to user groups etc.
- Internet – FCC website, Traveline Cymru, social networking sites (E.g. Twitter, Facebook)
- Other technology – radio/TV marketing campaigns
- Branding – vehicle livery, single design for promotional material
- Ticketing – place, price, promotion