

## **FLINTSHIRE COUNTY COUNCIL**

**REPORT TO:**           **CABINET**

**DATE:**               **17<sup>TH</sup> DECEMBER 2013**

**REPORT BY:**       **DIRECTOR OF ENVIRONMENT**

**SUBJECT:**           **REVIEW OF SUBSIDISED BUS SERVICES, UPDATE**

### **1.00    PURPOSE OF REPORT**

1.01    To provide an update on the review of subsidised bus services following the consultation exercise, and confirm proposed action to be taken in relation to specific bus services.

### **2.00    BACKGROUND**

2.01    Following Committee reports to Cabinet in April 2013 and Environment Overview and Scrutiny Committee in July 2013 a consultation and subsequent review of subsidised bus services within the County has been undertaken. The Policy has been included at Appendix 1 of this report.

2.02    As part of the process the County Council has consulted widely on its bus service provision with:

- Promotional material being placed in its public buildings
- Website and questionnaires
- Promotion of the consultation event at the Housing Tenants conference and feedback
- Town and Community Council meetings, where requested
- Engagement with Environment Scrutiny Committee
- Various bus surgeries throughout the County

An evaluation of the responses has been included at Appendix 2.

2.03    Feedback has been received from the following sources:

- Petitions – containing 965 names for Buckley
- Questionnaires – 221 respondents (online & in paper versions)
- Letters 21 (members of the public)
- Town and Community Council communication – Holywell, Flint, Cilcain/Rhydymwyn, Caerwys, Buckley, Northop Hall
- Other – Response from Denbighshire County Council, the Campaign for the Protection of Rural Wales and Flintshire's

Children and Young People's Partnership

- Bus surgeries held in Connah's Quay, Mold, Buckley, Holywell and Broughton
- Member responses – Flint, Hawarden, Treuddyn/Cymau.

2.04 There has been a wide level of interest in the consultation exercise, including a clear level of engagement from concessionary pass holders, who are generally high users of the County's bus services.

2.05 Feedback from the consultation process has generally noted:

- No one supportive of service withdrawal;
- A level of support for service rescheduling so long as it means no complete loss of service;
- A general view that concessionary pass holders would be prepared to pay a small contribution to the fare of between 50p to £1 per journey as long as it meant they were able to retain their concessionary pass;
- In some cases significantly more comments received than users of the bus service;
- General support for a multi modal ticketing approach i.e. a ticket which could be used along any operator's route, without the need to purchase another ticket to continue the journey.

2.06 The review has used the criteria of the Policy approved by Cabinet in April 2013 to develop the future bus service delivery models within the County.

### **3.00 CONSIDERATIONS**

3.01 The report was presented to the Environment Overview and Scrutiny Committee meeting on Wednesday 13th November 2013 and resolved that:-

1. Members support the implementation of the changes as set out within the report and supporting appendices.
2. Environment Overview and Scrutiny Committee will review service performance tables annually, including the actions taken by officers to improve the performance of services.

3.01.1 During the course of the review a number of commercial services have been reduced or terminated by existing operators. This has led to the County Council providing interim support. The Council has filled and will continue to fill the gaps whilst it considers how to ensure the provision of more long term, affordable and sustainable services.

On this particular point it is important to remember that:

3.01.2 The County Council has no mandatory obligation to fund any public transport services. However, it does have powers under the

Transport Acts 1985 and 2000 and Local Transport Act 2008 to enter into agreements with public transport operators to provide subsidies for services which are not available commercially. These are usually rural, early morning, evening Sunday and Bank Holiday and some school services. It does this to support national and regional transport objectives, and also support our own corporate objectives around the environment, employment, education, health and supporting the Economy.

3.01.3 Under the Transport Act (1985), bus companies are free to operate services which they consider to be commercially viable. This means that the bus company's costs of running the service are covered by the fares they collect from passengers on the route or by free concessionary travel reimbursement in lieu of fares (people over 60 or with certain disabilities). A number of services within Flintshire operate commercially during the day time; the County Council provides no direct financial support and has no direct control over this type of service. An example is Arriva's service 11 between Rhyl-Holywell-Chester which runs during the daytime.

3.01.4 Within the County services are generally run on the following basis:

***Commercial bus services***

Receive no subsidy and are run by bus operators on a purely commercial basis charging commercial fares (see Appendix 3)

***Tendered Subsidised bus services***

Bus operators receive a subsidy to run their tendered service along non-commercial routes to provide a service to the community on the basis of employment, social or community based need.

***De-Minimis***

Payments made to bus operators to extend a commercial bus service into a specific area or at a certain time of day (where viable)

***Demand Led***

A demand responsive service run on the basis of pre-booking or reserving a service, in the main used to transport people to work or where demand for the service is sporadic or irregular due to shift patterns. An example of such a service would be the Deeside Shuttle service.

***Education Related***

Bus services run to transport school children/students to Primary, Secondary School or Colleges throughout Flintshire.

A summary of bus services within Flintshire is included at Appendix 3.

3.02 **Community Transport**

3.02.1 Community Transport provides a valuable addition to other forms of public transport and is seen as an essential component of any transport network. The service can take many forms, and in many cases the level of provision exists due to specific local circumstances.

3.02.2 Services currently tend to be concentrated in the more populated coastal strip from Bangor to Wrexham, yet some of the more inland rural areas present greater issues in relation to social exclusion and isolation.

3.02.3 Virtually all Community Transport schemes rely significantly upon public money. This is due to their not for profit status and nature of the socially necessary journeys, which can include specialist client travel requirements. During the current financial year (2013/14), Taith has ensured that existing Community Transport support arrangements have continued, despite some major schemes seeing a significant reduction in funding reductions when the Community Transport Concessionary Fares Initiative ceased. There remain a number of significant issues that must be overcome:

- Operations are either localised in nature or their provision is patchy
- Service standards are not consistent
- There is a general reluctance to work outside of local communities
- Whilst a generic service there is inconsistency in the categories of passengers who can benefit
- Management and governance can be under resourced primarily due to capacity issues
- Performance information is not consistent, or simply not available
- Limited sharing of information, collaboration and cooperation
- Volunteers are generally static in that they only want to work in a specific area
- There are different service standards

3.02.4 There is nevertheless a significant role for Community Transport to play in a future modernised bus service. The County Council, in conjunction with Taith, needs to work with operators to develop their existing service provision and provide a wider and more comprehensive level of service.

### 3.03 **Concessionary Travel**

3.03.1 The concessionary pass scheme for older residents in Wales has been very successful with approximately 40% of passenger journeys now undertaken under Welsh Governments Cerdyn Cymru free travel scheme. The undoubted success of the scheme has removed fares as an obstacle to travel for a significant proportion of users (although it is now only available on scheduled or flexible bus services and not Community transport).

3.03.2 On some services the number of fare paying passengers has declined, a result in the main due to passengers perceiving that the fares are too high (even though the true cost of owning a car for example is rarely taken into account when making such comparisons), and as a consequence there are parts of the network where people travelling with concessions account for a high proportion of the overall ridership figures.

3.03.3 The cost to Welsh Government of funding such a scheme across Wales is considerable, amounting to £73 million. The scheme is designed to leave bus operators no better and no worse off and they recover approximately 73% of the cost of the journey back through the concessionary fee per passenger. In Flintshire's case alone the level of funding was £2 million (2012-2013). Welsh Government has been reviewing its Concessionary Travel Scheme and is likely to seek changes to the level of funding support given to bus operators in the future. Whilst this work is still embryonic and current details are unclear it is quite feasible that any amendments to the financial level of support given to operators will have further consequences for bus services within the County with the potential for commercial and subsidised services to be affected. We will continue to monitor the situation with a view to amending our proposals should it be deemed necessary to do so.

#### **3.04 Rural Transport Project Officer**

3.04.1 In support of the above the Council appointed a Rural Transport Project Officer on a 12 months fixed term contract as part of a Rural Development Plan bid and in conjunction with Cadwyn Clwyd. During this period the officer has been undertaking a large amount of work within the rural communities including:

- Identifying the travel needs of people in rural Flintshire
- Devising and distributing household surveys
- Establishing baseline evidence of data in order to identify the potential gaps or transport problems in rural areas
- Arranging and attending meetings with Town/Community Councils and other user groups
- Identifying best practice elsewhere in the U.K.

#### **3.05 The Review**

3.05.1 In undertaking the review of subsidised bus services Officers considered the services and feedback received in accordance with the Policy. It is important to note that whatever the outcome of the review, services other than the de-minimis and commercial ones will need to be retendered; this is on the basis that they have not been for a number of years. The de-minimis services cannot be retendered because they are marginal alterations to an otherwise commercial bus service. It is also important to note that, in retendering these

services, the need for a modern, energy efficient, and accessible bus service will be important. All tendered services will be refunded in accordance with Contract Procedure Rules in the future.

3.05.2 The matrix at Appendix 4 details the following information under the respective headings:

- Service – relates to the specific bus service number identified on timetables and buses;
- Route – this sets out the route covered by the service identifying the main towns and villages along the route;
- Cost per passenger and RAG status are linked back to the Policy document and the thresholds within it;
- Options presented to Scrutiny Committee on 23 July 2013;
- Summary of Consultation Response - sets out any comments or feedback received;
- The proposal for each service having considered each service in respect of feedback, and the application of the Policy by Officers.

### 3.06 **Next Steps**

3.06.1 Meetings will need to be arranged with bus operators in the coming weeks to talk through the proposals and advise of any necessary notice periods on contracts, where recommended. Subject to Cabinet approval in December 2013 it is proposed that any contracts that require tendering will be issued for tender on 6<sup>th</sup> January 2014 with new contracts commencing on 14<sup>th</sup> April 2014 on a 3/4 year basis. Any services or journeys that will be withdrawn will cease on 31<sup>st</sup> March 2014.

3.06.2 By engaging with other Local Authorities, communities, the third sector, school & social services commissioners and providers, the Rural Transport Project Officer will continue work during this period to identify the transport needs of people living in rural communities in order to develop strategies and sustainable initiatives to assist them to access work, training and social opportunities.

## 4.00 **RECOMMENDATIONS**

4.01 That Members grant delegated authority to the Director of Environment following consultation with the Deputy Leader and Cabinet Member for Environment to implement the changes set out in the report taking account of any impacts from the WG review of Concessionary Travel.

## 5.00 **FINANCIAL IMPLICATIONS**

5.01 As noted in previous reports the changes to bus funding have resulted in an overall year on year reduction of £224k, including the

£36k p/a efficiency saving approved as part of the 2013/14 budget strategy.

## **6.00 ANTI POVERTY IMPACT**

6.01 Subsidised bus services facilitate access to services for those in our communities who do not have a car or other mode of transport. Where practicable, the proposals in relation to each service seek to minimise the impact on key groups such as the elderly and those on low income.

## **7.00 ENVIRONMENTAL IMPACT**

7.01 The use of more sustainable public transport services will have a positive impact on the environment and the use of a modern and more 'green' public transport fleet will reduce carbon emissions and environmental pollution.

## **8.00 EQUALITIES IMPACT**

8.01 Positive in that it creates access opportunities for some of our most vulnerable and isolated people within our communities. Where practicable, the proposals in relation to each service seek to minimise the impact on key groups such as the elderly and those on low incomes.

8.02 As part of this review an Equalities Impact Assessment has been undertaken.

## **9.00 PERSONNEL IMPLICATIONS**

9.01 None as a direct result of this report.

## **10.00 CONSULTATION REQUIRED**

10.01 Extensive consultation with the communities of Flintshire and its stakeholders is required.

## **11.00 CONSULTATION UNDERTAKEN**

11.01 Has been extensive, refer to item 2.03.

## **12.00 APPENDICES**

12.01 Appendix 1 – Policy for Reviewing Subsidised Bus Services

12.02 Appendix 2 – Evaluation of Consultation responses

12.03 Appendix 3 – Flintshire Bus Services (Summary of Current Services)

12.04 Appendix 4 – Matrix of proposals for Subsidised Bus Services

## **LOCAL GOVERNMENT (ACCESS TO INFORMATION ACT) 1985**

## **BACKGROUND DOCUMENTS**

Equalities Impact Assessment.

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