

FLINTSHIRE COUNTY COUNCIL

REPORT TO: **CABINET**

DATE: **TUESDAY 19TH MAY 2015**

REPORT BY: **CHIEF OFFICER (STREETSCENE AND
TRANSPORTATION)**

SUBJECT: **THE COUNCILS BUS SUBSIDY, REVIEW OF THE
DEMAND RESPONSIVE TRAVEL ARRANGEMENTS
AND THE INTRODUCTION OF AN INTEGRATED
TRANSPORTATION UNIT**

1.00 PURPOSE OF REPORT

- 1.01 To seek cabinet approval to review of the County's subsidised bus service and commence discussions with local communities to deliver local community based transport arrangements.
- 1.02 To seek cabinet approval for the proposals to remove the Councils subsidy for the bookable Demand Responsive Travel (DRT) service known locally as the Deeside Shuttle and to develop options for the introduction of a non-subsidised commercial bus service to replace the service.
- 1.03 To seek cabinet approval for the introduction of an Integrated Transport Unit within the Streetscene and Transportation portfolio.

2.00 BACKGROUND

- 2.01 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 and 2000 Transport Acts to keep the bus network under review, and intervene where it feels appropriate.
- 2.02 The Council currently subsidises 30 bus routes through either standalone contracts or agreements with public transport operators to provide subsidies for services that would not be commercially viable. These are usually rural, early morning, evening, Sunday, Bank Holiday and some school transport services or for operating services via certain villages, housing estates or employment sites (eg the DRT service) The Council provides these services to support national and regional transport objectives, and also support our own corporate objectives around the environment, employment, education, health and supporting the economy.

- 2.03 A summary of all the Council's subsidised services and other types of bus services is provided in **Appendix 2**.
- 2.04 In addition to bus services, community based transport services can play an important part of an integrated passenger transport provision and transport network, by providing affordable and accessible transport for service users. Community transport services can take many forms e.g. door to door / dial-a-ride, community bus services, community car schemes, wheels to work schemes and even local bus services. Community transport covers all transport outside the conventional public transport network and is typically run by "not-for-profit" organisations or volunteer community groups.
- 2.05 In response to reductions in the bus revenue grant by WG in 2013-2014, the Council approved a Policy in April 2013 (**Appendix 1**) for determining which local bus services should continue to receive financial support in the future and a high level public consultation was undertaken to capture the public's views and priorities for the subsidised bus network. Following the consultation, a review of Flintshire's services was carried out in line with the new policy, which generated an overall year on year saving of £224k
- 2.06 At the same time, the Council employed a rural transport project officer on a fixed term basis as part of a Rural Development Plan bid in conjunction with Cadwyn Clwyd. The aims of the rural transport project were to identify the transport needs of residents in rural communities in Flintshire and establish a baseline evidence of data in order to identify the potential gaps or transport problems in these areas, as well as identifying best practice elsewhere in the U.K. for developing transport initiatives.
- 2.07 The 2015-2016 Business Planning proposals identified a further level of financial savings that could be obtained from reviewing the Subsidised Bus Service, reducing the level of grant available in some areas. The proposal would be introduced incrementally over a three year period (2015/16, 2016/17 and 2017/18) with staff from the Council working with the Community to develop locally supported Community Transport Schemes to replace the current subsidised services.

3.00 CONSIDERATIONS

Review of Subsidised Bus Services

- 3.01 A number of bus services in Flintshire are profitable and are operated on a commercial basis by private bus companies. The Council has good partnership arrangements with commercial bus operators and work to enhance the number and quality of services that are available. Commercial bus routes operate on a defined frequency (e.g. every 15-30 minutes) and form the core bus network. These services provide

strategic links between key towns and settlements and are well used and unlikely to change in the future.

- 3.02 The Council intends to engage with commercial operators to further encourage growth on these core routes which in turn will benefit service users and provide increased travel choices. These routes will predominantly operate on a commercial basis, however some support may be provided to ensure a regular and high quality service links the key 'end destinations' with various collection points (Hubs) along the route. Identifying and understanding the required level of service needed on each route will be the first element of the review and will be carried out at an All Member workshop.
- 3.03 Once the core routes have been identified the Council will then engage with the community to develop links with community transport arrangements and the local hub, which will include bus and railway stations, large shopping centres or simply well maintained shelters.
- 3.04 As the community transport arrangements are introduced the current subsidised services within the community can be withdrawn
- 3.05 The County Council would act as a central enabling service, providing support and advice to the local community organisations to enable them to submit funding bids and coordinating projects across the County. The aim is to provide integrated and accessible transport services to enable people to travel more efficiently and sustainably, while at the same time working with communities to provide effective support mechanisms for the governance, management and operational effectiveness of services.
- 3.06 Additionally, the County Council intends to work closely with existing community transport providers to help develop their existing service provision and provide a wider and more comprehensive level of service with increased capacity that better integrates with other transport services.
- 3.07 WG has made capital funding available to support transport infrastructure improvements across Wales and Flintshire highlighted community transport infrastructure development as a key priority in its recent Local Transport Plan, in order to provide the platform to support such bids. The Council would therefore bid for funding to develop community transport links and the infrastructure needed to support hub facilities and connectivity with other modes of transport, by improving the accessibility and safety of bus stops at key transport hubs and improving access to information, ticketing and timetable coordination.
- 3.08 It is anticipated that a small amount of WG revenue grant funding will be available in future years for funding key socially necessary bus services. In 2014, WG established a Bus Policy Advisory Group to

help set the strategic objectives for the promotion of better bus services in Wales. The Bus Policy Advisory Group recommended the establishment of national quality standards for the delivery of bus and community transport services across Wales. Bus services will therefore need to be reviewed in accordance with these quality standards and the Policy used to determine which services would continue to be supported by the grant. This work would be supported by the Council in support of the community organisations

Deeside Shuttle Service

- 3.09 The current levels of subsidy for the Deeside Shuttle Service are high at a cost of over £6.00 per passenger, which is not sustainable in the long term. Passenger journeys have increased significantly over the last three years from around 63,000 per annum in 2011-2012 to an expected 78,000+ in 2014-2015, such that the service could be formalised into a scheduled service with certain journeys on the service operating commercially, subject to interest from commercial bus operators.
- 3.10 The first stage of the subsidised service review would see the withdrawal of the Shuttle Booking Service, formalising the routes and times of the buses and changing the Deeside Shuttle to a fixed schedule bus service instead of a pre-bookable demand responsive service. The intention is to engage with commercial bus operators with a view to introducing and developing new commercial bus services into the Deeside Industrial Park before the cessation of the current demand responsive service.

Introduction of an Integrated Transport Unit (ITU)

- 3.11 Following a diagnostic review carried out by Northgate Public Services consultants, the Council has identified the benefits from the creation of an ITU that brings together all fleet and transport provision into one centre of excellence. The diagnostic review identified that the establishment of an integrated approach to service delivery and operational management offers benefits in terms of economies of scale, resilience and flexibility, by making more use of specialist technical skill, as well as potential operational efficiencies in the future.
- 3.12 The ITU will be established as a “one-stop shop” for the organisation and deliver of all the Council’s transport needs including reviewing policy and service delivery standards at regular intervals. The service would be managed by an integrated structure based in the Streetscene and Transportation Portfolio.
- 3.13 In order to deliver the savings it is proposed that a suitably experienced business partner is engaged on a risk and reward basis to assist the staff from the new service.

The Next steps

- 3.14 The timetable for each of the proposals are shown in **Appendix 3**
- 3.15 Subject to Cabinet it is proposed that the responsive element of the Deeside Shuttle Service will end on 31st August 2015.
- 3.16 An All Member workshop will consider and assist in identifying the core routes across the County and the required frequency and standard of service each route should provide. This will allow the Bus subsidy policy to be reviewed and presented to Scrutiny for comment before Cabinet approval in July 2015.

4.00 RECOMMENDATIONS

- 4.01 That cabinet approve the proposed review of the Subsidised Bus Service and support the proposed development of community transport services.

That cabinet approve the proposals for the Deeside Shuttle service.
- 4.02 That cabinet support the realignment of all operational service delivery areas in order to establish the Integrated Transport Unit (ITU) within the Streetscene and Transportation portfolio.
- 4.03 That cabinet approves the engagement of a suitably qualified business partner on a gain share basis to assist with the assessment and delivery of the financial benefit that will be derived from the new ITU
- 4.04

5.00 FINANCIAL IMPLICATIONS

- 5.01 The changes to bus services will deliver the three year financial savings detailed in the service Business Planning proposals.

Savings predicted in Year 1 (2015/16) - £50k
- 5.02 The total level of Bus service is as follows:

Council subsidy £1,046,180
WG subsidy £ 546,661
- 5.03 The savings detailed in respect of the Deeside Shuttle will be generated by a reduction in back office staff costs accommodated within the on going Streetscene and Transportation service review.
- 5.04 Financial benefit from forming an Integrated Transport Unit is currently

being evaluated and the benefit will be included in the 2016/17 budget proposals.

6.00 ANTI POVERTY IMPACT

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

7.00 ENVIRONMENTAL IMPACT

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

8.00 EQUALITIES IMPACT

- 8.01 An EIA has been completed and concluded that there could be an impact on people with disabilities, who may not be able to access a bus route or who may not have access to car travel, as well as an impact on Race (Migrant Workers) and Religion and Belief who may be employed on low wages or unable to drive, or who may have no alternative choice of travel. It was felt that each of the groups mentioned would be equally impacted by the proposals. Where practicable, the proposals will seek to minimise the impact on key groups.

9.00 PERSONNEL IMPLICATIONS

- 9.01 The proposals for the Deeside Shuttle would see the withdrawal of the Shuttle Booking Service, which currently employs four members of staff for 3 FTE posts, who handle the journey bookings for customers and schedule the vehicles.
- 9.02 Implementation of the Integrated Transport Unit would result in staff from three Portfolios being considered for roles within a single operating unit within Streetscene and Transportation.

10.00 CONSULTATION REQUIRED

- 10.01 With internal stakeholders prior to implementing the service changes and in accordance with HR Policy.

11.00 CONSULTATION UNDERTAKEN

- 11.01 With Cabinet Member.
- 11.02 Consultation is ongoing with affected staff.
- 11.03 With internal stakeholders in respect of the ITU
- 11.04 With Environment Overview and Scrutiny Committee – The committee supported the recommendations contained in this report at its meeting in April 2015

12.00 APPENDICES

- Appendix 1 – Subsidised Bus Service Policy April 2013
- Appendix 2 – Summary of types of bus services in Flintshire
- Appendix 3 – Timetable for project delivery

LOCAL GOVERNMENT (ACCESS TO INFORMATION ACT) 1985 **BACKGROUND DOCUMENTS**

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