

CABINET – 24 MAY 2016

Supported Transport Update Report of the Director for Environment & Economy

Purpose

1. On 10 November 2015, Cabinet considered the results of the public consultation on the future of Subsidised Bus Services and agreed to the full withdrawal of subsidised bus subsidies, subject to full council's approval, which was given in February 2016.
2. This paper provides an update on the steps that have been taken to minimise the impact of the withdrawal and asks permission to launch an innovative pilot using the council's fleet during downtime to help those without access to alternative transport.

Background

Usage Data

3. On 15 March 2016, Cabinet agreed to publish usage data on subsidised routes to ensure the public had the opportunity to see and comment on the data.
4. Separately, we asked Community First Oxfordshire (CFO) to undertake an independent analysis of the data and public feedback, in order to assess whether the availability of this additional usage data would have changed anything in our process of public consultation and the decision to terminate subsidies. The full report is available at annex 1.
5. Community First Oxfordshire concluded that:

“Given the poor quality of the bus patronage data, the Council could not have incorporated it in its methodology and its availability would not have made a difference to the recommendations put forward under Option 2 (where some subsidies were removed to prioritise services).

Furthermore, in the end, the Council decided to cut all bus subsidies, a decision that would not have been influenced by the availability of this additional bus patronage data.”

6. During the four-week consultation, seven responses were received. All seven expressed the desire to protect subsidised buses, some going into detail about the impact on their local areas. Only three responses made reference to the usage data, one agreeing with it, the other two stating that the data was low quality and therefore of limited use. CFO's report on the consultation is available at annex 2.
7. Bus Users UK called for us to work with bus operators to improve the quality of the data and also to publish the latest 6 month period of data. The Council is

currently processing this latest data (period ending March 2016) and will provide this to Bus Users UK and anyone else who requests it.

8. As previously agreed by Cabinet, bus subsidies will therefore be terminated on 20 July 2016. It is important to stress that this does not necessarily mean that the service will stop because bus operators are still considering future options for a number of routes.

What happens to subsidised bus services after 20 July?

9. Whilst unfortunately cuts to local government funding mean we are no longer able to subsidise bus routes after 20 July 2016, we have been working with bus operators to explore how they might be able to continue running these routes commercially. We have been able to identify a number of innovative solutions to enable some routes to continue without a direct council subsidy which are detailed in 1.2 and 1.3.

Routes that will continue to operate commercially

10. We recognise that residents need to know as soon as possible if their route will continue to operate once the subsidy is withdrawn. We have asked all the operators to let us know as soon as they decide whether they can continue to run the route commercially.
11. As operators inform us of their intentions, we are immediately writing to councillors and parishes to let them know, and then updating our public website. In June we will install notices on affected bus stops for all routes that are terminating.
12. To date 9 of the 17 operators have responded to let us know about the routes they operate. Of the 32 routes announced, half will continue to operate commercially, either with the same or amended service. There are 118 routes affected, but we hope this positive trend continues and we will ensure that the public are told about the future of their route as soon as we are informed.
13. It should be noted that those operators who are continuing formerly subsidised bus services on a commercial basis can only continue to do so if enough people use the service. It is therefore really important that the public use these services and support operators to run them commercially.

Home to School transport

14. Just over nine thousand children in Oxfordshire have a legal entitlement to home to school transport and this remains unchanged. What we have done is reviewed all of our home to school travel arrangements and identified routes where if we buy the school children season tickets (rather than hiring a coach) the bus operators will be able to continue to operate the route commercially, thus benefitting the whole community. We are only pursuing these options where it is the most economical method of transport for children, and the

proposals we are looking at in relation to subsidised bus routes will affect less than 5% of these nine thousand children.

15. All affected schools and parents/guardians will be advised as soon as the arrangements are commissioned, which is likely to be June.

Section 106

16. Whilst the use of S106 funding is legally restricted and relates to specific developments, we can use it to pump-prime a small handful of subsidised bus routes which can become commercially viable when the S106 funding runs out. This is usually only possible where there is significant new housing planned in the area.
17. We have reviewed all of the routes and identified those where a S106 funding opportunity exists. It is proposed that S106 funds be used to continue some of these routes until the contract end dates, at which point they could be re-tendered with S106 funding (in 2017 or later). We are in conversation with bus operators about these routes and arrangements will be agreed by the end of May.
18. In addition to the above, S106 funding is available to procure two new services; the 25a (Upper Heyford) and 67 (Faringdon to Wantage). These procurements are unrelated to the decision to terminate subsidies, and are purely to fulfil the requirements of the S106 developer agreements.
19. As more developments come forward in future, new S106 funding may be allocated to provide further bus services. However, the 25a and 67 are the only S106 bus procurements planned within the timeframe of bus subsidy termination (i.e. that would be implemented by 20 July 2016).
20. In order to engage with local members on these options for S106 spend, the transport strategy team have attended all of the recent locality meetings to discuss what is possible.

Pilot to support residents without access to transport

21. It is recognised that, even with all of the efforts described above to keep routes going, some residents will be left without a convenient local bus service.
22. To reduce this impact, we are developing an exciting new pilot scheme which will utilise the council's fleet downtime (off-peak times) and offer journeys to anyone without suitable access to transport.
23. The pilot will provide a completely flexible and affordable service where anyone can request us to provide transport (individuals of all ages, groups, schools, Parish Councils, etc.). The service will offer the ability to book one-off journeys, repeat journeys, and regular scheduled routes.

24. Further work is required to develop this pilot, as it is a completely new way of operating council owned vehicles. A launch date needs to be agreed, but it will be ahead of the termination of subsidies on 20 July 2016.
25. The intention is for the pilot service to be funded by users, covering our costs but on a not-for-profit basis under our current Section 19 operator permit.
26. It is anticipated that individual customers will book and pay for blocks of miles, and groups and organisations setting up regular routes will be charged at a flat rate.
27. Where appropriate, individuals who have some flexibility over when they want to travel will be able to join other customers who are travelling in a similar direction to reduce the costs of travel; the more people that want to travel at the same time the cheaper the journey for everyone.
28. Recognising that the cost of journeys will reduce significantly if more people use it, we are encouraging local groups to coordinate bookings and share the costs.
29. Where certain rural parishes are particularly adversely affected by the termination of some local subsidised bus routes, there is an opportunity to utilise this new pilot service to meet the shared transport needs of residents. For example, the fleet vehicles could be booked for a regular weekly trip from a village to the nearby town and supermarket. A number of Parishes are in discussion with the council to fund and set up regular dedicated transport for their communities.
30. To pump-prime this usage, we are proposing to offer free trials to parishes. The intention is that over the course of the trial, enough people will find this service useful and then, with a high level of usage, they will be able to afford the low cost of the journey.

BSOG (Bus Services Operator Grant) funding

31. The Bus Services Operators Grant (BSOG) is a one-off grant provided by the Department for Transport (DfT) to Oxfordshire County Council and forms part of the operational budget in the Integrated Transport Hub. This year (16/17) we received £794,733 of grant. There is no guarantee that this funding will continue to be provided and therefore it should be used for pump-priming activity rather than ongoing spend.
32. The DfT has confirmed that we can use this BSOG funding for community transport purposes, including allocating funds to the fleet pilot described above. It is therefore recommended that approximately £460k is allocated to establish this pilot, including the offer of free trials.

Financial Implications

- 33.

- The termination of bus subsidies represents a saving of approximately £3.7m. This was agreed by Cabinet in November 2015 and then ratified at Full Council budget meeting in February 2016.
- The Council has received £794,733 of BSOG (Bus Services Operators Grant) in 2016/17. We are proposing to allocate £460,000 of this to establish the fleet pilot, including the offer of free trials.

Equalities Implications

34. A SCIA (Social & Community Impact Assessment) was undertaken at the time of the consultation on terminating bus subsidies, and updated as part of the November Cabinet report when the decision was made to terminate subsidies. The SCIA is available at annex 3.
35. This SCIA has been updated to reflect the latest information on impact and the mitigation opportunities presented in this paper, including the fleet pilot.

Recommendation

36. Cabinet are RECOMMENDED to:
 - (a) approve the launch of the pilot; and
 - (b) note the results of the independent report on usage data, and recommend if any further action required

SUE SCANE
Director for Environment & Economy

Annexes: Community First Oxfordshire, Independent Analysis of Usage Data
Community First Oxfordshire, Consultation Feedback Report
Social & Community Impact Assessment (SCIA)

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