

ENVIRONMENT OVERVIEW AND SCRUTINY

Date of Meeting	Thursday 12 th July 2018
Report Subject	Outcome of Public Consultation on Public Transport and School Transport Anomalies
Cabinet Member	Cabinet Member for Streetscene and Countryside
Report Author	Chief Officer (Streetscene and Transportation)
Type of Report	Strategic and Operational

EXECUTIVE SUMMARY

Cabinet approval was given in May 2015 to review the subsidised bus routes as part of the business planning proposals for 2015/2018. As part of this process, approval was given in February 2016 to withdraw any subsidised journeys and routes that were poorly used and no longer sustainable or affordable. This achieved a saving of £300K, with pilot schemes for alternative community based transport schemes being developed to help mitigate the impact of the service changes. A budget pressure of £350K from 2017/2018 still remains and has been carried forward to 2018/2019.

The Council will not be able to fund the full range of existing public transport routes and meet the demand for additional routes, particularly as commercial operators reduce their services. This is because many of the supported bus services in Flintshire are still under-utilised and therefore heavily subsidised which makes them unsustainable. This report provides details of the existing subsidised bus routes and the outcome of the bus network review consultation exercise that has been undertaken to consider these services and deliver an affordable and sustainable public transport service into the future.

Cabinet approval was also given in February 2016 to establish a core network of bus routes. The core bus network operates along strategic transport corridors across the County, linking main hubs with direct and high quality bus services. As part of the consultation process, it was necessary to define an expected service level that will operate on the core bus network to optimise its benefit. Details of these service levels are provided in this report.

Following the school transport route optimisation and re-procurement exercise that took place during 2017, a number of historical non-statutory school transport arrangements have been identified that are over and above the current Home to School Transport Policy. This report provides details of the proposed way forward for dealing with these anomalies following the advice from the All Member Scrutiny Workshop, which considered the matter in November 2017

A separate report is to be presented to Cabinet in the coming months by the Chief Officer (Education and Youth) to review discretionary areas of the existing Home to School Transport Policy, which may require further development/change and would require appropriate consultation with key stakeholders.

RECOMMENDATIONS

1	That Scrutiny notes the work undertaken for the bus network review and consultation exercise and recommends the adoption of Option 3 (support subsidised routes on the core bus network and implement alternative, sustainable local travel arrangements in communities not on the core network) within all four geographical areas of the County.
2	That Scrutiny recommends Cabinet to approve the proposed service levels on the strategic core bus network
3	That Scrutiny supports the provision of an in-house minibus service to support the local travel arrangements - where it is cost effective to do so.
4	That Scrutiny recommends Cabinet approve the proposed approach for dealing with the historical non-statutory school transport arrangements that have been identified during the service review.
5	That Scrutiny recommends their preferred pricing structure for concessionary bus pass to Cabinet

REPORT DETAILS

1.00	BACKGROUND TO THE PROPOSALS
1.01	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.
1.02	In May 2015, Cabinet approved a review of subsidised bus services and subsequently two all Member and Community Council representative workshops were held to assist in identifying the core bus network across the County. Feedback received at the workshops was generally positive, and accordingly, a list of the core network of bus routes was produced (Appendix 1). The core bus network structure is characterised by a number of key destinations across the County (hubs), such as main towns or public transport interchanges/railway stations with direct, high frequency bus services operating between the hubs and on some cross-boundary corridors to link passengers to key destination hubs for access to education, employment, shopping, health, social and leisure opportunities. The core network predominantly consists of commercial bus services; however, some support has continued to be provided to ensure that connections are maintained and that regular, high quality services continue to link the key hubs along the network.

1.03	<p>Subsequently, in February 2016, Cabinet approved the withdrawal of any subsidised journeys or routes that were poorly used and no longer sustainable or affordable as part of the business planning proposals for 2015/2018. In line with the Policy (Policy for Subsidised Bus Services in Flintshire 2013) in place at the time, the least cost effective services were withdrawn on the basis of a Red/Amber/Green system, which identified the best value services on a cost per passenger journey basis with green services providing best value to the Authority and amber and red the least value.</p>
1.04	<p><u>Bus Network Review</u></p> <p>Despite the savings delivered so far by the service, containing costs within the available bus subsidy budget has remained a challenge. The need to find further savings along with the impact of the 2016 failure of a major bus operator triggered the need for a review of the existing bus subsidy policy to ensure that it continues to be fit for purpose and to allow the Council to take robust decisions going forward in relation to subsidised bus services.</p> <p>There have been a number of changes to the commercial bus network by bus operators, which has impacted on communities and left potential gaps in service provision. In order to deliver this more sustainable solution for the public transport services that will link into the core network in Flintshire and ensure that service delivery is consistent, fair and equitable across the County, there clearly needs to be a fundamental review of the mechanism by which subsidies have been previously awarded.</p> <p>Additionally, the subsidised bus routes in Flintshire have evolved over time with subsidies granted on a piecemeal basis without a wholesale review of the network. North East Wales has been subject to changes in land use and employment over time, which in turn means that the way transport demand and supply is distributed may have changed and the Council faces increasing demand and expectations from local communities to provide transport services.</p>
1.05	<p>Following the previous reviews, the Council now subsidises 24 local bus routes either through standalone contracts or through de-minimis agreements with commercial bus operators to provide services that are not commercially viable, such as early morning, evening, Sundays or via certain villages etc. (Appendix 2).</p> <p>Under the existing Policy, which applies a RAG system, these routes all fall within the green band and demonstrate general good value for money and there is therefore a need to take a different approach for reviewing the remaining subsidised bus network and ensure that savings are achieved and that bus services are sustainable, affordable and meet the changing and prioritised needs of Flintshire residents.</p>

1.06	<p>The 2018/2019 budget for subsidised local bus services is structured as:</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">From WG through the Bus Service Support Grant (BSSG)</td> <td style="text-align: right;">£557,979</td> </tr> <tr> <td>FCC Subsidy</td> <td style="text-align: right;">£169,373</td> </tr> <tr> <td>Additional FCC Support (recognised in MTFs)</td> <td style="text-align: right;">£341,000</td> </tr> <tr> <td style="text-align: right;">Total</td> <td style="text-align: right;">£1,068,352</td> </tr> </table>	From WG through the Bus Service Support Grant (BSSG)	£557,979	FCC Subsidy	£169,373	Additional FCC Support (recognised in MTFs)	£341,000	Total	£1,068,352
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1.07	<p>To facilitate the review, an eight week public consultation process has been carried out, which commenced on 12th April 2018 and ended on 18th June 2018. Key stakeholders have been advised about the review Appendix 3 and invited to provide feedback on the proposals, through a short questionnaire, detailing their current travel habits and providing comment on existing service provision and expectations. The consultation also sought views how best to spend the bus subsidy budget available and prioritise the need for transport services in different areas of the County.</p>								
1.08	<p>Four options were presented for consideration to identify alternative methods of delivering transport services across the County. These were:</p> <ul style="list-style-type: none"> • Option 1 – Stop subsidising bus services completely • Option 2 – Do nothing and continue to support the existing subsidised routes in place as they are currently • Option 3 - Support subsidised routes on the core bus network and implement alternative, sustainable local travel arrangements in communities not on the core network. • Option 4 - Support subsidised routes on the core bus network and introduce a demand responsive service for communities not on the core network. <p>Stakeholders were asked to consider the demand for public transport and which of the proposed options above would best suit the travel needs of their community.</p>								
1.09	<p>It was recognised that there is no “one size fits all” and transport solutions may vary from one area to another depending on the local need and demand.</p> <p>To assist in the decision making process, the County was divided into four geographical areas highlighting the main hubs within those areas and enabling communities to focus on which option might best suit the travel needs within their local areas Appendix 3.</p>								
1.10	<p>Specific consultation has also been undertaken with:</p> <ul style="list-style-type: none"> • Elected Members (two all Member workshops in April & May 2018); • Town and Community Councils (Letters to each Town Council/Community Council and attendance at monthly meetings / County Forum); • Neighbouring Local Authorities (Presentation / letter); • North Wales Metro Steering Group & Welsh Government (Presentation); • Commercial bus operators (One to one meetings / Presentation); • Members of the public (10 public engagement events / survey monkey); 								

- Community groups and forums (Older persons' groups / young persons' groups / Deeside business forum)

1.11

The response to the consultation has been well supported with over 650 responses received. The outcome of the consultation on which transport option consultees preferred is listed below:

Elected Members and Town/Community Councils

Preferred Option	Elected Members	Town / Community Councils
Area 1	Option 2 & 3	Option 3
Area 2	Option 3 & 4	Option 3
Area 3	Option 2 & 3	Option 3
Area 4	Option 3 & 4	Option 3

Individual Responses

Option	1	2	3	4
Area 1 (%)	0	54.32	32.1	13.58
Area 2 (%)	1.08	52.69	34.41	11.83
Area 3 (%)	2.05	60.62	24.38	12.5
Area 4 (%)	1.62	57.3	37.3	3.78

Elected Members predominantly supported Option 3 (support subsidised routes on the core bus network and implement alternative, sustainable local travel arrangements in communities not on the core network), with benefit seen in exploring Option 4 (support subsidised routes on the core bus network and introduce a demand responsive service for communities not on the core network) in geographical areas 2 & 4. Option 2 (do nothing) received support in geographical areas 1 and 3.

Town and Community Councils predominantly supported Option 3 (support subsidised routes on the core bus network and implement alternative, sustainable local travel arrangements in communities not on the core network). Option 2 (do nothing) was supported in geographical areas 1 and 4; however, this did not represent the majority of responses.

Individual responses expressed a preference for Option 2 (do nothing and retain existing subsidised bus routes) and Option 3, (support subsidised routes on the core bus network and implement alternative, sustainable local travel arrangements in communities not on the core network). 85% of the individual responses were submitted by individuals who currently utilise a bus service and, upon further examination of the services used by these individuals, approximately half travel on commercial bus services that operate without any financial support from the Local Authority and would remain unaffected by the proposals. Approximately 50-60% of respondents to the individual consultation were people aged over 60. A large proportion of these were concerned about the loss of mobility and independence, and stated that they relied on existing bus services for social and health reasons. Bus services therefore play an important role in supporting the Council's

	<p>priority of enabling more people to live independently and well at home.</p> <p>Following the outcome of the consultation, it is proposed that Option 3 (support subsidised routes on the core bus network and implement alternative, sustainable local travel arrangements in communities not on the core network) is adopted within all four geographical areas. More detailed evaluation of the full consultation results is included in Appendix 4.</p>
1.12	<p><u>Core Bus Network</u></p> <p>The existing core bus network was approved by Cabinet in May 2016 Appendix 1. Under the proposed arrangements, the core bus network will continue to be serviced by local bus operators through commercially viable services or through contracted services to the Local Authority.</p> <p>While the key strategic corridors of the core network have been agreed, the service level on each corridor has not been determined. As part of the consultation process, it was necessary to define an expected service level that will operate on the core bus network to optimise its benefit. This will ensure that there is a high quality service operating at different times of the day, ensuring that there is sufficient capacity during peak hours and facilitating trips made outside peak times, including leisure and retail trips. The core bus network also takes into account any regional and national plans, policies and studies.</p>
1.13	<p>At the two all Member workshops held in April and May 2018, elected Members were invited to assist in identifying the expected service levels along each strategic corridor and provided feedback on the core bus network, including any amendments required.</p> <p>Members were provided with the Council's aspirations for service levels for the core bus network and invited to provide feedback on these Appendix 5.</p> <p>The workshops were well attended and the Council's proposed service levels for the core bus network were supported by Members.</p>
1.14	<p>Members made the following recommendations for the core bus network: -</p> <ul style="list-style-type: none"> • Include a new strategic corridor between Holywell and Mold • Include a new strategic corridor between Connah's Quay and Mold • Show Railway Stations on the core network map • Include additional hubs for Hawarden, Gronant, Caerwys, Queensferry on the core network map <p>Currently, the Holywell to Mold corridor is operated as a commercial bus route with some di-minimis support from the Council of approx. £21K per annum. The bus routes currently operating on the corridor between Connah's Quay and Mold are fully subsidised at a total cost of £246K per annum (this cost also accounts for the service operating on the wider network). To continue supporting these additional corridors would reduce the available budget for the 'non-core network' significantly, and potentially result in fewer services to communities. It is therefore recommended that these additional corridors are not affordable and should not be included on</p>

	<p>the core bus network at this time. However, if funding should be identified in the future then consideration could be given to including these additional corridors at that time, subject to approval.</p>
1.15	<p>It is estimated that the required financial support for the core bus network to the recommended service level would cost approx. £625K per annum.</p>
1.16	<p><u>Non-Core Network - Local Travel Arrangements</u></p> <p>Under the preferred option outlined above, local travel arrangements on the non-core network are intended to be provided by smaller minibuses, which are better suited to the nature of the routes in rural areas or to those where access for larger buses is restricted, such as residential housing estates.</p> <p>The local travel arrangements would operate in a similar way to conventional bus services with a scheduled timetable and fixed route, transporting individuals to the local area hub or hubs along the core network for onward journeys.</p> <p>However, the scheduled minibus services may not operate to the same frequency or level of service as provided by conventional bus services e.g. different days of the week rather than Monday to Saturday.</p> <p>Where current subsidised bus routes operate, those routes will remain under the new proposals but with timetable amendments and end destinations of local travel hubs within the County.</p> <p>Areas identified as part of the consultation where no public transport service currently exists will be accommodated where feasible and affordable.</p> <p>Proposed routes have been identified for the local travel arrangements Appendix 6 and these will be developed through close working with Town and Community Councils to ensure that they are well supported and meet the demands of these communities.</p> <p>Flintshire has undertaken 4 pilots of these community travel services within the last year, linking smaller communities to key hubs. The services have been widely accepted however patronage has not been at the expected level due to the fact that subsidised services which were expected to be withdrawn, continued to operate.</p>
1.17	<p>It is estimated that the remaining budget available to support the local travel arrangements on the non-core network is approx. £433K per annum.</p>
1.18	<p>To support the subsidised bus service budget, high cost school transport services will be integrated into the local travel arrangement routes. This will provide a saving to the school transport budget and cross-subsidise the transport provision, as well as potentially acting as a benchmark for external transport suppliers.</p>
1.19	<p>It is proposed that the intended change in service provision will be introduced from 1st October 2018 on a phased approach. A proposed</p>

	<p>implementation plan and timetable for delivery is provided in Appendix 7, which details the timescales for introducing the new arrangements in each area. This will be on a phased approach which each geographical area to ensure that the process is manageable.</p> <p>It is anticipated that bus operators may respond to the withdrawal of subsidy by making changes to services that are provided on a commercial basis. Any changes will supplement the local transport arrangements which cannot operate in competition to such services.</p> <p>A proposed communication plan is provided Appendix 8 to ensure that sufficient notification is provided prior to implementation.</p> <p>It is also proposed that once the new service model is implemented, a marketing strategy should be developed to promote and support the new transport services. Other promotional campaigns may also be included, such as active travel (walking and cycling), ticketing initiatives, tourism and local business support etc.</p>
1.20	<p><u>In-House Service Provision</u></p> <p>The Council has received Welsh Government (Local Transport Network Fund) and EU funding (Rural Community Development Fund) to purchase four 16-seat minibuses and five Low Carbon Emissions Buses (LCEB).</p> <p>Following a cost-benefit analysis Appendix 9, it is proposed that the four 16-seat minibuses, which comply with the Euro 6 emissions standard, will be utilised for the local travel arrangements and operated in-house within the Streetscene Portfolio. This will require a change to the existing Operator's Licence for the Authority and the intention is to provide a high quality, professional, minibus services and maintain greater control on the passenger transport operations.</p> <p>Provision of an in-house service is more cost effective than procuring contracted services. Utilising Flintshire's own fleet of vehicles will ensure that routes can be maximised for the budget available, however it is necessary to make timetable amendments to make the necessary savings and accommodate new areas requiring services.</p> <p>The five low carbon emissions service buses are intended to be deployed on the existing Deeside Shuttle Service (D1, D2, D3) around Deeside Industrial Park and replace the current ageing fleet of vehicles on a like-for-like basis. Deeside Industrial Park (DIP) is one of the largest industrial estates in Wales with approximately 400 businesses employing in the region of 9,000 people and the Park has become one of the key economic driving forces within the region.</p> <p>The successful bid for the replacement vehicles for the Deeside Shuttle links in with the work currently ongoing in partnership with the Welsh Government for the North Wales Metro and Flintshire's Integrated Transport Strategy. The new transport arrangements will form a key element of the North Wales Metro, which is being promoted by Welsh Government (WG).</p>

	<p>The Deeside Shuttle service will be re-procured over the summer period and is intended to be operated by an external contractor. The service will be re-branded and a launch is planned for later in the year. The Council has previously encouraged bus operators to run commercial services into the D.I.P., but services are not deemed to be commercially viable owing to the concentrated nature of workers' shift patterns at the peak times of the day and little demand for travel to the DIP off-peak.</p> <p>It is therefore proposed that at the off-peak times during the day, options will be explored to use the buses to support local travel arrangements and ensure that they are utilised to full capacity. The new vehicles will be extremely cost effective to operate, as they use new technology working alongside the Euro 6 engine, which means improved fuel economy. In order to provide a long term sustainable transport solution, the new Deeside Shuttle service must successfully integrate with all modes of transport and cater for the demands of each whilst maintaining and promoting at its heart, a sustainable, affordable and environmentally friendly Public Transport Service with links to all of Flintshire and the wider region.</p>				
1.21	<p><u>School Transport Historical Anomalies</u></p> <p>The school transport route optimisation and re-procurement exercise was completed in September 2017. The optimisation exercise delivered maximum benefit by ensuring the most efficient use of vehicles and delivery of the most cost-effective routes and vehicle capacity for the required number of eligible passengers. As a consequence of the exercise, a number of historical non-statutory transport arrangements were identified that were over and above the current Home to School Transport Policy, and presented opportunities for alternative service delivery and potential efficiency savings.</p>				
1.22	<p>The identified anomalies are explained within Appendix 10 along with proposals on how each issue will be dealt with in turn, together with the anticipated efficiencies and expected impact on non-eligible students.</p>				
1.23	<p>Concessionary Fares</p> <p>It is proposed that the price of concessionary spare seats is increased to ensure full cost recovery as this was the preferred option from the All Members Workshop that took place in November 2017.</p> <p>Current concessionary bus passes are £165 per full school year (£55 / term) however this is well below the cost of providing the service. In order to achieve full cost recovery an annual payment of £716.98 (or £238.99 per term) would be required. The costs are calculated as follows: -</p> <p>Average cost of providing 53-seater coach = £38,000 per annum Divided by 190 school days = £200.00 cost per day Divided by 53 seats/pupils = £3.77 per day x 190 school days = £716.98 per annum (or £238.99 per term).</p> <p>Options for Scrutiny consideration to reach full cost recovery are as follows:</p> <table border="1" data-bbox="320 2056 1383 2101"> <tr> <td data-bbox="320 2056 472 2101"></td> <td data-bbox="472 2056 780 2101">Option 1</td> <td data-bbox="780 2056 1088 2101">Option 2</td> <td data-bbox="1088 2056 1383 2101">Option 3</td> </tr> </table>		Option 1	Option 2	Option 3
	Option 1	Option 2	Option 3		

	Immediate Effect	Three year	Five Year
2018/19	£717 (£239 / term)	£300 (£100 / term)	£200 (£67 / term)
2019/20		£500 (£167 / term)	£300 (£100 / term)
2020/21		£717 (£239 / term)	£450 (£150 / term)
2021/22			£575 (£192 / term)
2022/23			£717 (£239 / term)

For cost comparison purposes, the following charges for concessionary spare seats currently apply in neighbouring Local Authorities: -

Cheshire West & Chester: £880.00 per academic year
Denbighshire: £150.00 per academic year
Wrexham: £150.00 per academic year
Conwy: £210.00 per academic year

Further details of the proposed Concessionary Spare Seat Scheme are provided in **Appendix 12**

2.00	RESOURCE IMPLICATIONS
2.01	There are no additional resource implications for implementing the proposals and work is expected to be undertaken by the existing Programme Manager for the project with support from a Technical Officer, which is already underway.
2.02	It is anticipated that drivers for the in-house minibus operation will be recruited from within existing resources where feasible and the incumbent Fleet Manager will take on the responsibility of managing the PSV Operator's Licence, supported by the ITU Manager.
2.03	The existing service bus vehicles employed on the Deeside Shuttle service will be disposed of in accordance with the Council's Constitution and other relevant policies and legislation.
2.04	It is important to note that, from the outset, the Bus Service Support Grant (and its predecessor equivalents) has been intended to supplement Local Authorities' own expenditure, not replace them. Welsh Government has indicated that it continues to be recognised that it is for each Local Authority to determine how to spend its own un-hypothecated funding. Nevertheless, reflecting the fact that BSSG exists to supplement Local Authorities' own expenditure, and Welsh Ministers' discretion in relation to the scheme, it should be expected that future BSSG allocations, from April 2019, will be determined to reflect in part local authorities' own expenditure on supporting bus and community transport services. Any potential reduction in Flintshire's own revenue support funding could therefore result in a reduction of the grant received from Welsh Government.

3.00	CONSULTATIONS REQUIRED / CARRIED OUT
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3.01	With Cabinet Member (Streetscene and Countryside).
3.02	Elected Members workshops in April and May 2018 and letter invite to consultation.
3.03	Town and Community Council via letter invite to consultation and attendance at monthly meetings and County Forum.
3.04	Assembly Members and Members of Parliament via letter invite to consultation.
3.05	Consultation with members of the public and community groups and forums.
3.06	Consultation with bus operators.
3.07	Consultation with neighbouring Authorities.
3.08	Consultation with Welsh Government / North Wales Metro Steering Group.

4.00	RISK MANAGEMENT
4.01	A Project Review Board has been set up to monitor and oversee the implementation of the proposals, and to ensure that the project stays on target. The Board consists of Chief Officer (Streetscene & Transportation); Transportation and Logistics Manager; Integrated Transport Unit Manager, Fleet Manager, Programme Manager and Technical Officer.
4.02	Progress will be reported to the Streetscene & Transportation Programme Board.
4.03	An Equalities Impact Assessment is being undertaken as part of the review Appendix 11

5.00	APPENDICES
5.01	Appendix 1 – Map of Strategic Core Bus Network Appendix 2 – List of current subsidised routes Appendix 3 – Bus network review consultation document Appendix 4 – Evaluation of Consultation Responses Appendix 5 – Aspirations for expected service levels on core bus network Appendix 6 – Local travel arrangements route plan Appendix 7 – Proposed Implementation plan and timetable for delivery Appendix 8 – Communication plan Appendix 9 – Cost-benefit analysis – in-house option Appendix 10 – School transport historical anomalies Appendix 11 – Equalities Impact Assessment Appendix 12 – Concessionary Spare Seats Guide/Fact Sheet

6.00	LIST OF ACCESSIBLE BACKGROUND DOCUMENTS
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6.01	<p>None.</p> <p>Contact Officer: Stephen O Jones, Chief Officer, Streetscene and Transportation Telephone: 01352 704700 E-mail: stephen.o.jones@flintshire.gov.uk</p>
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7.00	GLOSSARY OF TERMS
7.01	<p>LCEB = Low Carbon Emission Buses are defined by the Government as those producing 30% less emissions of greenhouse gases (GHGs) than an average Euro 3 diesel bus, The testing, developed by the Low Carbon Vehicle Partnership (LowCVP), measures GHG emissions from the vehicle and from the fuel production when the bus is carrying its maximum passenger load. Optare's Euro 6 Solo SR diesel-powered buses have gained low carbon accreditation for their low emissions.</p> <p>Euro 6 = Euro 6 is the sixth directive set by the European Union to help reduce the level of harmful pollutants produced by new vehicles. The Euro 6 standard sets out the acceptable limits for exhaust emissions, and since September 2015, all new vehicles sold have had to comply with the Euro 6 standard.</p>