

ADDITIONAL PUBLIC TRANSPORT FUNDING IN CAMBRIDGESHIRE

To: **Economy and Environment Committee**

Meeting Date: **21ST October 2014**

From: **Executive Director: Economy transport and Environment**

Electoral division(s): **All**

Forward Plan ref: **Not applicable** *Key decision:* **No**

Purpose: **To consider the options for spending additional funding for public and community transport In Cambridgeshire**

Recommendation: **Committee is recommended to:**

- a) Consider the potential options for the additional funding noting the initial work that has been undertaken.**
- b) Consider the increased budget pressure on this area of funding.**
- c) Agree not to spend the £500 000 additional funding this financial year and use it to offset potential budget reductions indicated in this service area in the emerging Business Plan for 2015/16**

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1. BACKGROUND

- 1.1 At Full Council in February 2014, an additional £500,000 per year was agreed as a new fund to invest in transport services in Cambridgeshire. The Business Plan notes this funding is available to 'Support initiatives to provide transport for communities in Cambridgeshire'. This increased funding is against the backdrop of already committed budget reductions for community transport funding that are in place for 2014/15 and beyond. This paper sets out the options that have been developed in discussion with the Cross Party Member Working Group that was established to consider the expenditure of this new funding.
- 1.2 The options developed provide a wide range of distinct funding opportunities. This report briefly discusses those options. In making the initial allocation of the £500,000, Full Council was clear that a wider view is taken of using this additional funding to help transport within communities. This may include through services provided by community transport organisations.
- 1.3 Community transport operators within Cambridgeshire provide unprofitable Dial-A-Ride services. Dial- A-Ride offers door to door trips to supermarkets and door to town or city centre trips for other purposes. There are also over 60 voluntary car schemes operating in Cambridgeshire. Trips can be made for social and medical purposes, i.e. GP surgery appointments, visiting friends and shopping. The car schemes are used by those who have difficulty in using conventional public transport.
- 1.4 The Council agreed to set up a cross-party working group to look at the options for the £500,000 funding and the Cambridgeshire Future Transport Member Group has been expanded for the purposes of providing an initial steer on options for use of this new funding. At their meeting in June 2014 they considered a number of funding options against the background set down in Section 2 below. Their views are noted against each of the options. For brevity, only the options that received support from the Cross Party Member Working Group are included below.
- 1.5 It should be noted that despite the positive discussion that took place at the June meeting, the County Council's budgets are not static. Therefore it is important that the potential benefits of this new spending needs to be seen against the needs of residents that are being met by the current budget commitments.

2. FUNDING OPTIONS

A range of options for the use of the additional £500,000 per annum have been considered as follows:

- 2.1 **Reinstate or reconfigure the grant funding to community transport operators in Cambridgeshire.** The 2014/15 Business Plan removes this grant from 2014/15 onwards. It has been possible to pay the grant for 2014/15 using unspent community transport grant received from Government. The 2014/15 Business Plan carries that approach on for 2015/16 where the grant can still be paid from the remaining underspend of the community transport grant from Government. Beyond 2015/16 the grant cannot be paid. Operators are reliant on the grant to underpin the operation of Dial-A-Ride services which do not generate surplus. The approach to allocation of grant funding has evolved over a long time and a review would be appropriate.

- 2.2 **Extend selected bus routes to help stimulate the night-time economy.**
The funding provided for the Cambridgeshire Future Transport Programme is helping ensure access is provided on a daily basis to employment, education and training and key public services. One of the issues that is frequently raised with Officers is the timing of the last bus out of Market Towns on the late night shopping day(s).
- 2.5 **Cambridgeshire Future Transport.** The Business Plan budget for Cambridgeshire Future Transport is £1.5M per annum. It is expected to come in on budget for this financial year. However, if a small contingency were allocated to the CFT budget from these funds then that will help ensure maximum flexibility is achieved for the solutions still to be implemented.
- 2.6 A further option is to allow some 'pressure point' funding to be allocated. This could be used to extend solutions that are proving popular but are not yet ready to be run commercially. Timetable enhancements could be made, including covering evenings and weekends, or an additional vehicle if there is insufficient capacity to carry passengers.
- 2.7 **Travel Bursaries for Apprentices and Vocational Students.** This would involve travel bursaries for students attending higher education courses within the County. This would not apply to students at Cambridge University or Anglia Ruskin University but could apply to students at, for example, the College of West Anglia and Cambridge Regional College. A sum could also be made available to support travel expenses for Apprentices including those working for the county and district councils. This travel bursary support would be an added incentive to attend courses for prospective students and could be made available only for course where there are known skills shortages in the workforce.

3.0 BUDGETARY POSITION

- 3.1 The Economy Transport and Environment Business Plan for 2015/16 onwards is being considered as a separate item on the agenda for this meeting. There are significant budget pressures to be met and proposals to achieve these are covered in that report. These include reductions in spending on Community Transport and Cambridgeshire Future Transport, which it is proposed to combine in to a single budget in future. For 2016/7 onwards there are significant savings still to be found. In this context, despite the suggestions made by the Member group, officers feel that it would be inappropriate to commence new initiatives when there must be serious doubt that they can be sustained given the budget cuts. It is therefore recommended that the additional £500,000 funding per annum is not allocated to specific new initiatives at this stage. Instead, it is appropriate to review the value achieved from the current arrangements.
- 3.2 It has always been the intention to review the value for money of the public bus service investment that is taking place under the CFT programme. This review can be broadened to be a Member led review of Cambridgeshire Future Transport to improve integration across public transport, home to school transport and non emergency hospital transport. The review will assess which services are working well and pare back funding for services where ridership is not providing value for money. The review will examine the

level of direct grant funding to Community Transport organisations and the funding of concessionary pass holders using Dial a Ride schemes.

3.3 A full Community Impact Assessment has been carried out for the proposed budget cuts for the CFT budget. At present no decision has been taken as to which services, public transport or community transport (including grants) will be reduced.

3.4 In the light of the budget pressures noted above the Committee is recommended not to allocate the £500,000 this financial year. Instead the recommendation is that the funds are used in future years to at least in part offset the reductions that are likely to be in the Business Plan for 2015/16 onwards.

4. ALIGNMENT WITH CORPORATE PRIORITIES

4.1 Developing the local economy for the benefit of all

The following bullet points set out details of implications identified by officers:

- Reducing funding for public transport will lead to reduced access to employment, education and training. This could have a detrimental effect on access to employment particularly in areas of the county where car availability is limited.

4.2 Helping people live healthy and independent lives

The following bullet points set out details of implications identified by officers:

- Reducing funding for public and community transport will lead to reduced access to public services and may reduce the social interaction of the retired or those who live alone.

4.3 Supporting and protecting vulnerable people

The following bullet points set out details of implications identified by officers:

- Reducing funding for public and community transport will lead to reduced access to public services and may reduce the social interaction of the retired or those who live alone

5. SIGNIFICANT IMPLICATIONS

5.1 Resource Implications

The following bullet points set out details of implications identified by officers:

- Reducing funding for public and community transport will lead to reduced access to public services and may reduce the social interaction that the retired or those who live alone. This may in turn lead to those residents seeking to use other more expensive services that the County council provides.
- The financial position is covered in Section2 of this report

5.2 Statutory, Risk and Legal Implications

There are no significant risks under this Heading

5.3 Equality and Diversity Implications

These are covered within the Community Impact Assessment which is appended to the Business Plan paper also being considered by this Committee.

5.4 Engagement and Consultation Implications

These are covered within the Community Impact Assessment.

5.5 Public Health Implications

Access to employment and other facilities is an important part of personal health and wellbeing. If public transport services are not provided, some communities will suffer as access to these opportunities and facilities will be limited.

| Source Documents | Location |
|-----------------------------|-----------------------|
| Community Impact Assessment | <i>To be inserted</i> |