

EXTENDING THE FUNDING ON CONTRACTED BUS SERVICES TO THE END OF THE 2018/19 FINANCIAL YEAR

To: Economy and Environment Committee

Meeting Date: 12 July 2018

From: Graham Hughes - Executive Director, Place and Economy

Electoral division(s): All

Forward Plan ref: 2018/053 **Key decision:** Yes

Purpose: To consider extending the funding for contracted bus services until the end of March 2019

Recommendation: Committee is recommended to:

- a) agree to extend the funding for previously agreed subsidised contracted bus services until the end of the 2018/19 financial year, using reserves held for this purpose.
- b) delegate to the Executive Director, in consultation with the Chairman and Vice Chairman of the Committee, authority to agree with the Cambridgeshire and Peterborough Combine Authority the funding required to contract for any further bus services de-registered this financial year.

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1. BACKGROUND

- 1.1 In August 2017 Economy and Environment (E&E) Committee agreed to fund replacement bus services for up to one year from local bus reserve funding. This followed a decision by Whippet Coaches to withdraw 17 bus services, which were a mixture of commercial and contracted services covering Cambridge City, Huntingdonshire and South Cambridgeshire.
- 1.2 The original one year period is approaching its end and a decision is required on whether or not to extend the funding further.

2. MAIN ISSUES

- 2.1 The original decision to provide funding for these services was based on planned work to be carried out to review contracted bus services. However, this review has not taken place because a separate review has been commissioned by the Cambridgeshire and Peterborough Combined Authority (CPCA), who are the body responsible for the provision of public transport as part of the Devolution Deal. For 2018/19 the CPCA has delegated this responsibility back to Cambridgeshire County Council.
- 2.2 The CPCA review, however, is not due to report until November 2018, and this will be after the current contracts are due to expire. The outcome of the review is unknown at this stage.
- 2.3 The Council's base budget for local bus services is £1,730,839, plus an additional £301,818 available through Department for Transport's (DfT's) Bus Service Operators Grant, which is currently ring-fenced for public transport. As part of last year's Committee decision £84k was allocated from reserves to cover the additional services until the end of August 2018. This gives a total budget available of £2,116,657.
- 2.4 In order to extend the existing contracts until the end of March 2019 additional funding is required. The projected pressure from extending the temporary bus subsidies already in place, on top of the £84k already agreed from reserves, is £210,794. There is sufficient funding in reserves available to fund the additional cost of contracts of all of these until the end of March 2019. It is therefore recommended that these contracts be extended to the end of March 2019.
- 2.5 In addition to these services, more recently the Council has temporarily funded the number 46 service. At the time this funding was agreed, it was made clear that this would only be to the end of August and that the Council would request ongoing funding from the Combined Authority. The Council is awaiting the outcome from this request to fund the number 46 service to the end of the financial year at a cost of £64k and an update will be provided orally to Committee.
- 2.6 In addition, we continue to have contracts terminated by operators, along with commercial de-registrations. Contracts 196, 31 and 75 have recently been deregistered by Whippet coaches and the net cost increase is estimated to be £38k for the remainder of this financial year. Again, the Council has requested this funding from the Combined Authority and is awaiting the outcome of that request which will be reported orally to Committee.
- 2.7 In view of the ongoing possibility of further contract changes it is recommended that

authority is delegated to the Executive Director of Place and Economy, in consultation with Chairman / Vice Chairman of E&E Committee, to consider the award of any future contracts to cover for de-registrations, as long as this is within the retained budget or funded by CPCA.

- 2.8 If further funding isn't agreed contracts will need to be withdrawn which will leave some areas of the County with no local bus services and could leave residents, in particular in rural areas, without access to transport and be isolated.

3. ALIGNMENT WITH CORPORATE PRIORITIES

3.1 Developing the local economy for the benefit of all

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

- The role of local bus services remains critical to the success of the County and its employers and businesses. Local bus services continue to ensure that car traffic is reduced and does not add to the existing congestion experienced in the county.

3.2 Helping people live healthy and independent lives

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

- Local bus services offer a convenient way of accessing employment, businesses and public services; hence allowing people to live independently. That role is illustrated by the fact that a proportion of journeys made are undertaken by concessionary pass holders.

3.3 Supporting and protecting vulnerable people

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

- Not maintaining access to bus services would particularly impact on the elderly, disabled, lower income groups and isolated communities.

4. SIGNIFICANT IMPLICATIONS

4.1 Resource Implications

The resource implications are discussed in the main body of the report.

4.2 Procurement/Contractual/Council Contract Procedure Rules Implications

There are no significant implications within this category.

4.3 Statutory, Legal and Risk Implications

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

- There is a duty under the 1985 Transport Act to secure the provision of such public passenger transport services as the Council consider it appropriate to secure to meet any public transport requirements within the County which would not in their view be met apart from any action taken by them for that purpose. The duty, however, is only to consider and there is no duty to provide services.

4.4 Equality and Diversity Implications

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

- Not maintaining access to bus services would particularly impact on the elderly, disabled, lower income groups and isolated communities.
- Not maintaining access to bus services would remove or severely reduce the opportunity for residents to travel and risks isolating users of these services so they are unable to access education, work and other services.

4.5 Engagement and Communications Implications

There are no significant implications within this category.

4.6 Localism and Local Member Involvement

There are no significant implications within this category.

4.7 Public Health Implications

The Cambridgeshire Transport and Health Joint Strategic Needs Assessment (JSNA) reports that availability and accessibility of means of transport such as local bus routes are important enablers for travelling to services and social opportunities, especially for the most vulnerable residents. Transport is a gateway to participation and a vital element in the prevention of isolation and loneliness. Evidence shows that transport barriers can be a contributory cause of missed and cancelled health appointments, delays in care, and non-compliance with prescribed medication; leading to worse health outcomes.

Implications	Officer Clearance
Have the resource implications been cleared by Finance?	Yes Name of Officer: Sarah Heywood
Have the procurement/contractual/ Council Contract Procedure Rules implications been cleared by Finance?	Yes Name of Officer: Paul White
Has the impact on statutory, legal and risk implications been cleared by LGSS Law?	Yes Name of Officer: Debbie Carter-Hughes

Have the equality and diversity implications been cleared by your Service Contact?	Yes Name of Officer: Tamar Oviatt-Ham
Have any engagement and communication implications been cleared by Communications?	Yes Name of Officer: Jo Shilton
Have any localism and Local Member involvement issues been cleared by your Service Contact?	Yes Name of Officer: Tamar Oviatt-Ham
Have any Public Health implications been cleared by Public Health	Yes Name of Officer: Stuart Keeble

Source Documents	Location
None	