

REPORT TO: Environment and Urban Renewal Policy
and Performance Board

DATE: 13th June 2012

REPORTING OFFICER: Strategic Director Policy and Resources

PORTFOLIO: Transportation

SUBJECT: Consultation on withdrawal of subsidised
local bus services

WARDS: Boroughwide

1.0 PURPOSE OF THE REPORT

- 1.1 The purpose of the report is to provide feedback on the results of the recent consultation exercise on the proposed withdrawal of subsidised bus services in 2012/13.
- 1.2 It also aims to provide information on public transport issues facing the Council and bus operators in the near future.

2.0 RECOMMENDATION: That

- 1. the factors contributing to the proposal to remove funding support for those particular bus services listed in Appendix 2, as set out in the report, be noted;**
- 2. the findings of the consultation exercise on the proposed withdrawal of support for these services, as summarised in Appendix 3, and the outcome of this Board's consideration of two petitions that objected to the withdrawal of two of these services on 14th March 2012, be noted;**
- 3. the potential implications of the proposed changes to service provision in 2012/13, as well as the impacts of cuts made in 2011/12, and the issues facing the local bus industry in the coming months be noted; and**
- 4. the proposal to reduce the budget for Supported Bus Services by £70,000 in 2012/13, to reflect the proposed cuts to services listed in Appendix 2, be noted.**

3.0 SUPPORTING INFORMATION

- 3.1 Local bus services within the borough enable approximately 6.1 million passenger journeys per annum to be undertaken, with the majority of them being on commercially operated routes. The remainder are on

services operated on behalf of the Council via tendered, contracted agreements and which are funded through its Supported Bus Services revenue budget allocation.

- 3.2 The Central Government deficit reduction strategy and the subsequent reduced funding available to local authorities, including Halton, has led to a situation where the Council has had to review its funding priorities for 2012/13. It has had to make some difficult decisions and one of the many proposals considered by Members of the Council since the autumn of 2011 to achieve savings in 2012/13, is to reduce the Supported Bus Services budget.
- 3.3 It has been proposed that £70,000 be cut from the 2012/13 budget. This is, however, on top of an approximate £213,000 cut (including £40,000 Rural Bus Grant) that was previously incurred as part of the 2011/12 budget making process. These previous reductions have already led to a complete withdrawal or reduction in some services (see Appendix 1).
- 3.4 When considering how the proposed budget savings for 2012/13 could be achieved, and hence which services might need to be cut, a number of factors were considered. These were:
 - Were there services dependent on the complementary financial support of neighbouring authorities that had or was being withdrawn, and hence would need additional financial support from HBC (which has not been budgeted for);
 - Were there any services where the maximum time that the Council could provide de minimus payments had now been reached and where there was a definite potential for commercial operators to take on these services;
 - Were there services where the cost per passenger journey was very high when compared to others; and
 - Were there services which fitted any of the above categories and/or had alternative services available.
- 3.5 It was concluded that the services listed in detail in Appendix 2 would need to be considered for subsidy withdrawal. In short, the services in the following table would be affected:

Service	Route	Comments	Equality Impact Assessment
3A	Halton Lea – Runcorn High St – Weston Village – Halton Lea	Deminimis contract maximum period for payment expired. Arriva has indicated the service may be operated on a commercial basis	Medium across all characteristics. Passenger figures indicated that service could be operated on a fully commercial basis
110 Mon – Sat evening	Widnes - Warrington	62% of contract cost withdrawn by Warrington, leaving Halton BC fully liable for the total cost of the contract.	High across all characteristics as this was the only service option on this route, severing links into Warrington from Widnes.
110 Sunday evening	Widnes - Warrington	As above	As above
79C Saturday morning	Runcorn - Liverpool	High cost per passenger journey	High across all characteristics. This service provides an early morning journey Saturday only. The cost per passenger journey is £13.15.
31 Sundays daytime	Runcorn - Chester	CWaC contract. Subsidy withdrawn by CWaC. HBC would have been liable for full cost of contract	High across all characteristics. CWaC withdrew their proportion of subsidy leaving HBC with full liability for the cost of the service. Withdrawal of the service will remove the connection between Chester and Halton.
16 School days	West Bank to Horns	Alternative services available within short walk	Medium across all characteristics due to the availability of alternative services.
26 Mon - Sat	Cronton – West Bank	Deminimis contract maximum period for payment expired. Halton Transport has indicated they will not be operating the Saturday service on a commercial basis. Journeys at 1504,1354 & 1604 Mon – Fri will also be withdrawn	Medium across all characteristics due to the availability of alternative services
2A/19 School days	Baguley Ave – Weates Close - Widnes Town Centre	Alternative services available via a short walk.	Medium across all characteristics due to the availability of alternative services.

3.6 Because of the potential implications of these cuts, a public consultation exercise was undertaken on the proposed withdrawal of these services. This involved the following:

- Consultation period from Monday 30th January 2012 – Monday 5th March 2012
- Information placed on the Council Website
- Information posted at bus stops along the route affected
- Information advertised on the vehicles of the services affected.

All information contained an explanation on the level of proposed changes to the service and also the procedure for placing an objection to the proposals. Comments on the proposals were received in writing via email or letter and by telephone.

3.7 Responses to the consultation, which included comments from some elected Members, are outlined in Appendix 3 but are summarised in the table below:

Service	No of Objections	General Comments
3A	11 objections 1 petition from the Halton Brook area	<ul style="list-style-type: none"> • Withdrawal of the service will reduce the frequency of the remaining service to hourly. • Reduction in service will force passengers to use taxis and majority of users are elderly.
26	1 petition from West Bank area 56 objections	<ul style="list-style-type: none"> • Concerns with walking route via subway to access alternative services • Service in the area reduced to hourly frequency on a Saturday • No Direct service to Widnes Town Centre from Cronton. • Concerns with walk to Birchfield Rd from Cronton • Concerns from students returning home from Riverside College to Cronton and Westbank
16	1 objection	<ul style="list-style-type: none"> • Concern for school children walking through subway to access alternative services

NB. A number of objections to the proposals were received from Local Councillors from the following Wards: Riverside, Heath and Halton Castle.

3.8 Two petitions objecting to the withdrawal of two services in particular, i.e. the 3A (Saturday only) and the 26 (Saturdays and journeys at 15.04, 15.34 and 16.04 Mon. – Fri), were considered by the Environment and Urban Renewal Policy and Performance Board (E&UR PPB) on the 14th March 2012. It was noted that both services had been subsidised via deminimus payments for the maximum period permitted in law, at a combined approximate cost of £25,000 (or 36% of the total proposed

saving for 2012/13), and that the Council was no longer allowed to continue to provide these subsidies. The E&UR PPB did note however, that officers would continue to work with bus operators to encourage them to fill these potential gaps in service provision. The Council has now received confirmation from the operator of the 26 that the above journeys will be withdrawn. Unfortunately, the operator of the 3A has not yet confirmed whether the service will be operated commercially and are still considering their decision.

- 3.9 Whilst these concerns and objections are understandable, it would be difficult to recommend that these services be sustained for the reasons set out in 3.4 above. If they did continue to receive funding, it would need to be at the expense of other bus services or possibly other Council services. If the proposed level of savings is to be achieved and any further demands on the Council's budgets are to be avoided (by substituting funding withdrawn by neighbouring authorities, for example) then it will not be possible to continue to provide the current subsidies to these services.
- 3.10 With all the above factors in mind and the fact that the Council has to find a high level of savings for the 2012/13 and subsequent financial years, it is recommended that the proposal to cut those services identified in Appendix 2 now be implemented and that the provisional 2012/13 Supported Bus Services revenue allocation now be confirmed to reflect this decision. The Board are now asked to endorse this proposal.
- 3.11 The bus companies in Halton have experienced a continued increase in operating costs with one operator reporting that fuel has increased on average by 13.5% during the past year which is one of the main contributors to commercial services being reduced or withdrawn. During 2011/12 operators reduced mileage to compensate for these cost increases most notably on the 14, 17 and X1 services. The 14 (Runcorn to Liverpool) was totally withdrawn from Runcorn, the 17a (Widnes to St Helens) was withdrawn from the Derby Road area of Widnes leaving no alternative services and the X1(Runcorn to Liverpool) was totally withdrawn on a Sunday and also withdrawn from 9pm Monday - Saturday.
- 3.12 Operators receive Bus Service Operators Grant (BSOG) on an annual basis to assist with the cost of fuel. However, as of April 2012 this will be reduced by 20% to 34.56 pence per mile. This could also lead to operators further reducing commercially operated mileage or increasing fares. Indeed, from the 2nd April 2012 operators have in fact, increased fares on services across the Borough by an average of 5.5% to compensate for the BSOG reduction. Child fares have also been increased in the Borough from half adult fare to 2/3rds of the adult fare which represents an increase of approximately 17%. In addition, one operator has also reported an increase in insurance costs of 53%.

3.13 The proposed reductions in service subsidies for 2012/13 could potentially affect a further 49,000 passenger journeys per annum.

4.0 POLICY IMPLICATIONS

4.1 The proposed withdrawal of these services will impact on the Primary Transport Strategy No. 2 (Bus) held within the current Local Transport Plan (LTP). This strategic document identifies the Council's vision for continued development of the local bus network and to provide an improved, accessible, integrated bus network that ensures all residents have good access to key facilities not only within the Borough but also within neighbouring authorities.

5.0 OTHER IMPLICATIONS

5.1 **Resource Implications:** The proposed reductions in subsidy will enable the revenue allocation for Supported Bus Services to be reduced by approximately £70,000. Should the services be re-instated, the Council will need to tender the replacement services under the current local bus tendering process at a cost of approximately £70,000 per annum.

5.2 **Social Inclusion Implications:** The withdrawal of the services will have a negative effect on residents.

6.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

6.1 Children and Young People in Halton

It is widely recognised that good quality and affordable public transport services can help to improve access to key facilities for children and young people within the Borough. The network also provides children and young people with a degree of independence. The proposed removal of subsidies will require some high school pupils to access alternative services which may in turn require them to walk longer distances in some cases

6.2 Employment, Learning and Skills in Halton

The local bus network is fundamental to the residents of Halton accessing employment and education facilities not only within the Borough but also in neighbouring Boroughs. The removal of some of the services under consideration in this report may require some passengers to seek alternative services or use taxis. It is not possible to predict whether this will have an adverse impact on opportunities or employment.

6.3 A Healthy Halton

Access to health care facilities is acknowledged as a key priority. Public transport particularly the local bus network plays a vital part in accessing

these facilities not only within the Borough but also further afield in neighbouring Boroughs. Whilst it is not possible to say whether any of the services are used to provide direct access to health facilities, the loss of bus services could affect the ability of people to access such facilities.

6.4 A Safer Halton

The loss of bus services could require users to find alternative bus stops which may be further from their preferred location and could necessitate the need to cross additional road junctions and walk further distances during the hours of darkness.

6.5 Halton's Urban Renewal

Improving access to key regeneration areas by sustainable forms of transport including public transport, walking and cycling is widely acknowledged as playing a key role in sustainable regeneration and urban renewal. The loss of bus services could prevent certain trips from taking place or lead to them being undertaken by private car.

7.0 RISK ANALYSIS

- 7.1 The key risks associated with the proposed withdrawal of services are that affected passengers will be unable to travel via their preferred route and will need to reassess their respective travel methods. This may involve passengers changing their travel patterns and may involve some increased walking distances, possibly during the hours of darkness, to access alternative services. Greater use of private transport could be encouraged which is not consistent with the Council's sustainable transport strategy or policies. Passengers with mobility difficulties may be eligible to use the specialised Dial-a-Ride service. This service is currently operated by Halton Community Transport.

8.0 EQUALITY AND DIVERSITY ISSUES

A Community Impact Review & Assessment has been carried out for this Service. (Please see appendix 4)

9.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972

Document	Reports to the Environment and Urban Renewal Policy and Performance Board of 14 th March 2012
Place of Inspection	4 th Floor, Municipal Building, Kingsway, Widnes
Contact officer	Ian Boyd, Transport Coordination

Appendices

- Appendix 1 Services affected by cuts in 2011/2012
- Appendix 2 Proposed Service Cuts 2012/2013
- Appendix 3 Respondents to consultation
- Appendix 4 Community Impact Review and Assessment Supported Local Bus Services