



Executive Member for Transport & Planning
Decision Session

2 June 2016

Report of Director for City and Environmental Services

Implementation of budget savings on Council funded local bus services

Summary

1. City of York Council procures local bus services to operate at times of the day (or week), or in parts of the Authority area, where no commercially viable bus service exists. Where commercial services do exist (i.e. those that are operated by private companies but are neither contracted nor funded by the local authority), the Council engages with the operators with the aim of enhancing service.
2. As part of the budget process for financial years 2016/17 and 2017/18, the Council determined in February 2015 that a full year saving of £350,000 was required to be made in the subsidy provided for local bus services.
3. Given the extent of the savings required, the Council has identified service reductions or alterations for consultation. These could be made whilst still ensuring, as far as possible, that all areas currently enjoying bus service provision are not left without any bus service. The general public was consulted on the proposed list of services which could lose their subsidy.
4. This report provides detail of the outcome of the consultation and the relevant usage statistics concerning each service for the consideration of the Executive Member.
5. Should the Executive Member for Transport and Planning decide not to reduce local bus service expenditure, equivalent savings will need to be found from elsewhere within the Council's budget.

Recommendation

6. In light of the feedback from the public consultation and the Economic Development and Transport Policy and Scrutiny Committee (Pre

Decision Calling In), the Executive Member for Transport and Planning is asked to agree a proposal on the subsidy provided for local bus services.

Background

7. The City of York and surrounds benefit from a comprehensive network of bus services, of which more than 80% are operated without subsidy from the Council. All of the bus routes in York are operated by private sector companies who are free to decide how they will run any services not requiring financial support. Amongst other things, this includes the freedom to determine the bus route, where the bus will stop, the timetable and fares charged.
8. The Council has powers, contained in the 1985 and 2008 Transport Acts, to provide subsidies for bus services where, in its view, there is a transport need that is currently not being met through commercially operated services. For the services it procures, the Council defines the route, stopping points, frequency and operating hours of the service. The Council also monitors the performance of each service. It should be noted that the provision of financial support to local bus services is not a statutory requirement.
9. From January 2009 the Council adopted two criteria to assist it to consider whether or not to subsidise a particular bus route. These are that:
 - a. Each tendered service should have a subsidy of not more than £2 per passenger carried; and
 - b. A minimum number of 9 passengers carried per bus hour operated.
10. In October 2015, the Council adopted a new 'Council Plan' which included a commitment to 'Support rural bus services and others where there is most need'. Whilst not abandoning the Council's previous criteria for determining which bus services to support, the new Council Plan also commits the Council to supporting bus services connecting to rural areas, some of which are not as well used as the wholly urban services currently subsidised by the Council.
11. In common with all local authority areas, budgetary pressures have required that City of York Council carefully scrutinises services it provides on a discretionary basis.

12. In 2013/14, 26% of UK local transport authorities cut their levels of subsidy to local bus services (Price, Expenditure and Competition Survey 2013, Association of Transport Coordinating Officers, January 2014). As budgetary pressures on local authorities have increased, this trend has continued in subsequent financial years. In York's neighbouring county of North Yorkshire, the level of subsidy provided for local bus services has reduced from £6m in 2011/12 to £1.5m in 2016/17.
13. Over the past months, the Council has talked with the City's bus operators to establish whether there might be any cost reductions, or indeed opportunities to provide services without subsidy (i.e. on a 'commercial' basis). The Council has also had discussions with a number of stakeholders to understand how third parties might be able to provide funding support which would reduce the inevitable challenges to the lives of some bus users resulting from subsidy withdrawals. This dialogue has delivered some positive outcomes which officers can provide an update on. Unfortunately, however, the scale of savings required can only be found through service withdrawals or reductions.
14. Table 1 below lists bus services currently subsidised by the Council.

Table 1 – Bus services currently subsidised by City of York Council

Appendix 1

Route	Origin	Via	Destination	Time/day	Frequency	Annualised cost (£)	Passengers per bus hr	Subsidy per pax
10	Stamford Bridge	York	Poppleton	Evenings (Sun – Thu)	60 mins	36,000	11.8	£1.73
11	Bishopthorpe	South Bank	Stonebow	Evenings (Mon – Sat)	60 mins	17,000	16.6	£1.04
11	Bishopthorpe	South Bank	Stonebow	Sunday (daytime)	60 mins	10,500	14.8	£1.44
12	York	Elmfield Ave	Monks Cross	Daytime (Mon – Sat)	30 mins	45,000	14.3	£0.73
13	York	Tadcaster Road	Copmanthorpe	Sunday (daytime)	60 mins	11,500	11.1	£1.92
14	Foxwood	York	Haxby	Evenings (Mon-Sat), Daytime (Sun)	60 mins	48,000	19.6	£0.70
16a	Acomb	Hamilton Drive, Stonebow	Elmfield Avenue, Heworth	Sunday (daytime)	60 mins	11,000	12.3	£1.69
18	Holme on Spalding Moor	Wheldrake	York (Merch'gate)	Certain daytime journeys, (Mon-Sat), evenings (Fri-Sat)	Mon-Thu: 4 journeys per day; Fri: 8 journeys; Sat: 7 journeys	29,000 (16,000 ^{NYER})	14.1	£1.65
19	Skelton	Rawcliffe	York (Exh.Square)	Daytime (7 day)	60 mins	79,000	22.5	£0.97
20	Acomb	Poppleton, C' Moor, Haxby, Monks X, Heworth	Uni of York	Daytime (Mon – Sat)	60 mins	200,000 (190,000 ^{UY})	12.3	£1.69
21	Colton	Acaster Malbis, Bishop'pe, South Bank, Stonebow	Foss Islands	Daytime (Mon – Sat)	120 mins	73,000 (44,500 ^{NY})	12.5	£1.90
24	Foxwood	Lindsey Ave	York	Daytime (Mon – Sat)	60 mins	184,500	19.7	£0.75*
26	Fordlands Road (every 30 mins)	Fulford, York Station	South Bank (every hour)	Daytime (Mon – Sat)	30/60 mins		19.5	£0.81*
27	University of York	Heslington Lane	York (Merch'gate)	Daytime (Mon – Sat)	60 mins		12.8	£1.92*
44	Acomb	Hamilton Drive	York (Merch'gate)	Daytime (Mon – Sat)	30 mins	30,000	19.1	£0.58

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627	York	Heworth	Arch. Holgate & Fulford Schs.	School days only	One round trip		146.1	£1.61*
647	York	Boroughbridge Rd (for Manor School)	Acomb	School days only	One round trip		10.2	£2.11*
637	York	Heworth	Archbishop Holgate's School	School days only	One round trip	34,125	146.1	£1.61
36 X36	Elvington	Wheldrake, Fulford	York (Merch'gate)	Daytime (Mon – Sat)	120 mins	56,244 (48,744 ^{ER})	7.1	£3.63
142	York	Hessay	Ripon	Daytime (Mon – Sat)	120 mins	5,453	Contribution to NYCC contract	
181	York	Woodlands Grove, Heworth	Castle Howard	Daytime (Mon – Sat)	Four round trips	2,000	Contribution to NYCC contract	
412	York	Acomb, Rufforth	Wetherby	Daytime (Mon – Sat)	60 mins	7,568	Contribution to NYCC contract	

Key

*services 24/26/27/627/647 are part of a single contract; subsidy per passenger figures shown are estimated from the relative mileage of each of these routes.

Costs shown represent total amount paid to bus operators. Annualised costs shown in brackets represent net cost to CYC once contributions from partners have been accounted for:

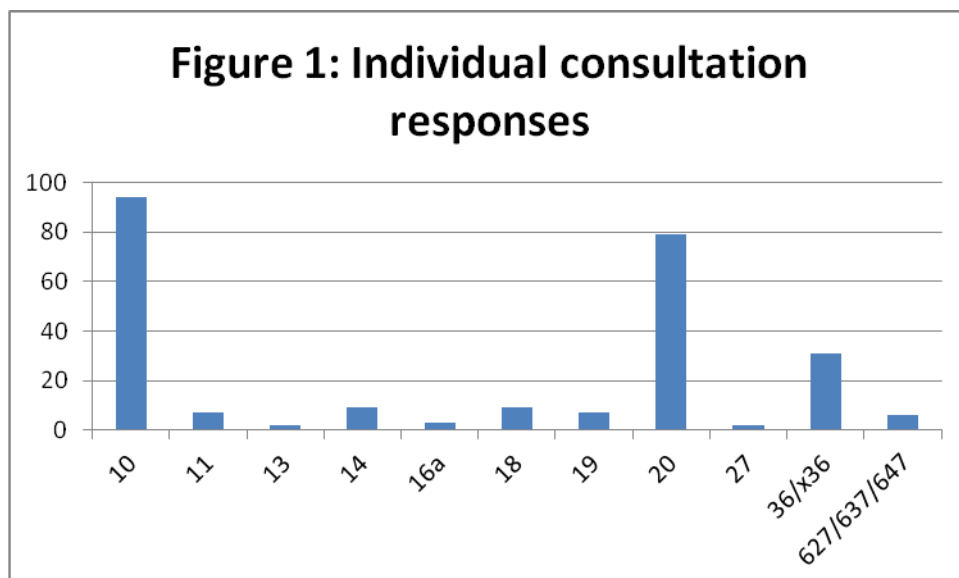
^{ER} East Riding of Yorkshire Council contribute toward the cost of this service.

^{NY} North Yorkshire County Council contribute toward the cost of this service.

^{UY} University of York contribute toward the cost of this service.

Consultation – General public and stakeholders

15. Following confirmation of the budgetary proposal for 2016/17, the Council took steps to identify options which would achieve the agreed saving of £350,000. Because of the scale of savings required, previous adopted strategies for example to reduce the number of journeys on a particular route or to seek reductions in contract prices from operators, etc, were not going to be sufficient on their own.
16. The Council moved as swiftly as possible to prepare consultation documents on a proposal which would deliver the required savings. The consultation, which ran from Monday 11th April to Friday 6th May, included:
 - a. The opportunity for the public to respond by email with web-links to the consultation documents on both the front pages of both the Council's website and York's online travel website (www.iTravelYork.info).
 - b. Two drop in sessions held at the Council's West Offices. The first was held on Friday 15th April (10am – 2pm), the second on Tuesday 26th April (3pm – 7pm). Approximately 60 people attended the first session and 130 people the second.
 - c. The Council issued press releases concerning the consultation on three occasions. Two of the releases were carried in the York Press with details of the drop in sessions and provided information regarding how to respond.
 - d. Bus stop Real Time displays carried an advertisement concerning the consultation for the duration it was live. These displays are located at over 50 well used bus stops across the City.
 - e. The Council contacted the operators of the bus services which could be impacted by the proposals and asked for them to make information about the consultation known to bus users. The Council is aware that some operators were more proactive than others in this regard, but also that a range of media was used to share the information (including on-bus publicity, Twitter feeds and the operators' websites).
 - f. All of the City Council's members were alerted to the consultation, as were all of the City's parish councils as well as the neighbouring local transport authorities (East Riding of Yorkshire and North Yorkshire County councils).
17. The consultation proposed complete or partial reductions and changes to a number of routes and is included at Annex A to this report. A significant number of responses were received, with a proportion of these being received in multi-signatory petition form. Figure 1 below summarises the number of individual responses received to the consultation:



18. The above shows that overwhelmingly, users of route 10 (evening) and route 20 (Monday – Saturday daytimes) were most concerned about the potential loss of service. A significant number of users of route 36/x36 also contacted the Council about the proposals.
19. Particular points of note from the individual responses are as follows:

Route 10 (evenings after 8pm)

- a. Over fifty percent of the route 10 respondents were Stamford Bridge residents. Stamford Bridge is situated in the East Riding of Yorkshire Council (ERYC) administrative area. It should be noted that ERYC does not and has previously declined to contribute to the ongoing operation of this service. Many of the respondents felt that ERYC should be making a contribution. City of York Council has recently written again to ERYC to request their view on this issue.
- b. A number of respondents felt that the operator of the evening service, Transdev, could charge higher fares for the service as these would still be significantly lower than the cost of a taxi. Some respondents felt that a lower frequency service would be preferable to no service.

Route 19 (removal of school time diversion to St Wilfrid's primary school)

Two respondents wrote to express their concern about the proposed removal of these journeys.

Route 20 (Monday – Saturday daytime service)

- a. Responses concerning this route were spread across the whole route
- b. 49 responses concerned the removal of a bus link to the user's primary shopping destination

- c. 24 responses concerned the removal of a bus link to schools. This included a letter authored jointly by Joseph Rowntree and Huntington secondary schools.

Route 36 / x36

Responses were split evenly between Sutton on Derwent (ERYC), Elvington and Wheldrake. A response was also received from the Yorkshire Air Museum, for whom the 36 is the only public transport link.

Route 627 / 637

Responses were received from five parents and from Archbishop Holgate's School.

20. In addition to the above, the Council also received three petitions concerning the proposed changes as follows:
 - a. Petition (a) called for the retention of services 19 and 20. It was submitted in three separate parts. The main proportion of the petition was submitted with a cover letter and was presented to the Council by Ms D. Boyle (596 signatories). Two subsequent petition responses with the same title were received by the Council. The total number of signatories to all three submissions of this petition was 835. The postcodes given for the signatories indicated a wide spread of respondees (with some as far away as mid-Wales and Manchester). This may, in part, have been the result of a number of petitions having been signed at a meeting of the 'York Bus Forum', coordinated by pressure group 'Unjam York'. The vast majority of signatories, however, gave York area postcodes. A copy of the full title of this petition is contained at annex B to this report.
 - b. Petition (b) called for the preservation, in its present or a revised form, of route 20 to provide access by bus 'to the areas of Clifton Moor, Monks Cross (and) all points in between and beyond'. This petition was submitted to the Council by Miss L. Thompson. A total of 49 people signed this petition, almost all of whom supplied postcodes in the Wigginton/ Haxby / New Earswick / Huntington areas. A copy of the full title of this petition is contained at annex B to this report.
 - c. Petition (c) called for the Council to rescind its proposal to withdraw the route 20 service. This petitions was submitted by Mrs J. Bardy. A total of 83 people signed this petition, most of whom supplied postcodes in the Haxby / Huntington and Heworth areas. A copy of the full title of this petition is contained at annex B to this report.
 - d. It should be noted that a very small number of signatories appear on more than one of the petitions.

21. Responses to the consultation were also received from:
- a. York Teaching Hospital NHS foundation trust
 - b. York Older People's Assembly
 - c. York Bus Forum
 - d. Poppleton Community Railway Nursery
 - e. Dunnington, Elvington and Stamford Bridge parish councils and from a number of City of York councillors.

Consultation – bus operators

22. In addition to the public consultation, significant detailed consultation has been undertaken with York's bus operators with the following aims:
- a. To alert operators to the agreed budgetary reductions;
 - b. To understand whether operators perceive any commercial opportunity to introduce services currently subsidised by the Council;
 - c. To establish whether there are opportunities to reduce current tender costs, through increasing fares or by altering routes/schedules; and
 - d. To identify, as far as is possible, whether operators have plans to reduce their own commercially provided services during the same time period. This would be an issue as it could mean that the Council would have to consider the proposed cuts within the context of greater service withdrawals and would have to decide whether or not it wished to provide subsidy for those services.
23. The bus operators were happy to engage with the Council on this matter and offered suggestions on alterations which could be made.
24. None of the operators shared plans to withdraw or reduce their commercially operated services. There is, as ever, a risk that the Council may be asked to consider providing support for services which are currently operated without public funding.
25. The Council has also held dialogue with 'York Wheels', provider of York's Dial & Ride service. Dial & Ride provides door to door links to a range of shopping and amenity opportunities across the York area. The service is available for the elderly, disabled, or those who have no alternative form of public transport. Should the bus service reductions take place, Dial & Ride could provide an alternative solution to many of the people who would previously used local bus services to access services.

Consultation – school services

26. In addition to the bus operators, consultation has also been undertaken with the Council's School services team to ensure that consideration is given to the need for children to be able to get to their place of education. Some concern was expressed at the proposed withdrawal of the St Wilfrid's primary school diversion from route 19. An average of 6 pupils use this service per journey. The Council has established that these pupils can be accommodated by Home to School route W3 on purchase of an annual pass.

Options

27. The Executive Member for Transport and Planning will need to consider options for bus subsidies and should he decide not to reduce local bus service expenditure, equivalent savings will need to be found from elsewhere within the Council's budget.

Council Plan

28. The provision of financial support for local bus services which are not commercially viable is in line with the Council Plan 2015-2019. Specifically, the Council Plan commits the Council to 'Support rural bus services and others where there is most need'.
29. One of the Council's three key priorities is to maintain a 'Focus on frontline services' with a commitment 'To ensure all residents, particularly the least advantaged, can access reliable services and community facilities'. The provision of local bus services enables vulnerable residents, who may otherwise be unable to access key services, to do so.

Implications

30. This report has the following implications:.

Financial – Subject to the final proposals which would themselves be subject to tender prices and ongoing negotiation with bus operators and stakeholders (e.g. neighbouring local authorities). Failure to deliver savings in this area would result in wider budgetary pressures

Human Resources (HR) - None

Equalities – A Community Impact Assessment was completed as part of the Council's budget process and accompanies this report at Annex C.

Legal – The City of York Council as Local Transport Authority of the area, has a responsibility under the Transport Act 1985 to provide bus services it deems 'socially necessary'. It is at the discretion of the Local Transport Authority to determine how it implements this responsibility and the level of service provided.

Crime and Disorder - None

Information Technology (IT) – None

Property - None

Other - None

Risk Management

31. In compliance with the Council's risk management strategy, no significant risks associated with the recommendations in this report have been identified.

Contact Details

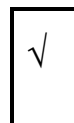
Author:

Andrew Bradley
Sustainable Transport
Manager
Tel: 01904 551404

**Chief Officer Responsible for the
report:**

Neil Ferris
Director
City & Environmental Services

**Report
Approved**



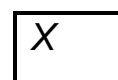
Date 10 May 2016

Specialist Implications Officer(s)

Patrick Looker, Finance Manager

Wards Affected:

All



For further information please contact the author of the report

Annexes:

- Annex A Public consultation document
- Annex B Consultation response summary
- Annex C Public consultation petition titles
- Annex D Community Impact Assessment