

EAST HERTS COUNCIL

COMMUNITY SCRUTINY COMMITTEE - 27 JANUARY 2009

REPORT BY HEAD OF COMMUNITY AND CULTURAL SERVICES

9. COMMUNITY TRANSPORT INITIATIVES AND ALLOCATION OF THE COUNCIL'S BUS SUBSIDIES BUDGET FROM APRIL 2009

WARD(S) AFFECTED: All

'D' RECOMMENDATION - that the Scrutiny Committee considers:

(A) the allocation of the Council's bus subsidy budget of £86,650 in 2009/10 as presented at Appendix 'A'; and

(B) in partnership with Hertfordshire County Council's (HCC) Passenger Transport Unit (PTU), new arrangements are developed to provide an alternative, re-focused, community bus service in Sawbridgeworth.

1.0 Purpose/Summary of Report

1.1 The purpose of the report is to update members on the outcome of Hertfordshire County Council's (HCC) Passenger Transport Unit (PTU) county-wide review of subsidised bus routes and recommends for consideration East Herts Council's options for the allocation of subsidy in 2009/10 (and subsequent years) in the context of reduced budgetary provision.

2.0 Contribution to the Council's Corporate Objectives

2.1 The report contributes to the Council's key objectives detailed below:

Protect and provide support to the most vulnerable in partnership with others.

Create opportunities for improving access to services and public involvement in Council business.

Preserve the unique mix of rural and urban communities, ensuring economic opportunities are generated for the benefit of all.

3.0 Background

- 3.1 HCC has a statutory responsibility for transport strategy in the county. An informal arrangement has existed for a number years between the districts and boroughs in Hertfordshire and HCC in relation to the provision of subsidised bus routes in the county. In summary, the arrangement has been, that, when commercial routes fold because of lack of economic viability, HCC's PTU would invoke a subsidisation of the service based on a cost split between HCC and the relevant district/boroughs of approximately 75%/25%.
- 3.2 In 2007/08 East Herts Council's contribution to this arrangement was £186,650. This contribution supported nineteen contracts across the district.
- 3.3 In 2008/09 the Council's budget subsidy for routes in East Herts was reduced to £161,650, without there being any reduction in service. There is a further planned reduction of £75,000 in 2009/10: producing, as part of the Council's medium term financial plan, a budget of £86,650 for 2009/10.
- 3.4 East Herts Council's reduction in subsidy had been preceded, and was being mirrored, elsewhere at a district/borough level. This prompted HCC to undertake a pre-emptive review designed to establish a new funding model that would secure a core, county-funded service, leaving a set of routes outside of the core that district/boroughs could fund at their discretion.
- 3.5 To undertake their review, HCC adopted a balance of criteria based on value for money, priority needs and available alternative routes. The review identified a set of core routes in East Herts that HCC are proposing to subsidise: these subsidised routes, together with existing commercial routes, are presented at Appendix 'A' (Page 9.7).
- 3.6 Appendix 'B' (Page 9.8) sets out those routes that HCC has identified as being outside of their proposed core funded programme, and consequently these are the routes that are to be considered for discretionary funding by East Herts Council and other partners. The value of these routes in terms of the subsidy that would be required to keep them operating is £129,700. The committee is reminded that the East Herts Council planned budget

for 2009/10 is £86,650: £4,300 of this is already committed to the community route that is run by the Bishop's Stortford Mini Bus Trust from St. Elizabeth's to Bishop's Stortford. The resulting 'gap' between the cost of funding all the discretionary routes identified in appendix 2 and the East Herts Council budget available for 2009/10 is therefore £47,350.

3.7 This report provides an analysis, discussion and recommendation as to which routes (of those identified in Appendix 'B' (Page 9.8), as being outside of HCC core funded routes) should be funded at East Herts Council's discretion.

4.0 Report

4.1 In general summary, Members will note that of the seven routes presented at Appendix 'B' (Page 9.8):

- a) The least value for money in terms of support cost per passenger is the 354 which runs from Buntingford to Harlow on a Monday to Friday, with a subsidy cost of £8.04 per passenger.
- b) The most expensive per passenger and the least used is the taxi bus service, route 21 from Dane End to Buntingford costing £44 per passenger.
- c) The most used (16,000 passengers per annum) but also the most costly in terms of overall subsidy is Sawbridgeworth SW1, SW2 and SW3 routes at £48,300.

4.2 The following commentary on each of the routes is offered as follows:

4.2.1 Route 5/354 Hadham area to Harlow (Saturdays)

Both these are Saturday services operating in the rural parts of the district. The 5 service runs from South End, St Elizabeth's Centre serving more isolated rural areas through to Harlow. The 354 runs from Buntingford to Harlow via Much Hadham. *It is recommended that the Council provides a subsidy of £6,900 per annum for this service to continue.*

4.2.2 Route 354 Buntingford to Harlow (Monday to Friday service)

The route which shows the highest costs per passenger is the 354 Buntingford to Harlow service. With the exception of route 21, the costs of £8.04 per passenger is more than double any other support cost. Alternative to this service do exist, and discussions with HCC PTU have concluded that withdrawal of the service would have a

lesser adverse impact than that associated with other routes. *It is recommended that no subsidy is allocated to this route.*

4.2.3 Route 21 Dane End - Buntingford

This service operates on a Taxi Bus basis between Dane End departing at 9.50 a.m. covering Haultwick, Great Munden, Nasty, Westmill, Aspenden and Buntingford, with a return journey at 12.15. An average of one passenger a week uses the service. *It is recommended that no subsidy is allocated to this route.*

4.2.4 Route 333 Hospital Diversion

This service is a short diversion on route 333 to the Herts & Essex Hospital which was introduced when the new hospital was built. The PTU does not have figures showing how many people using the route do so to access the hospital. The diversion from the normal route along the Dunmow Road in Bishop's Stortford is approximately 600 metres and costs £10,400. The advice from the PTU is that it would be appropriate for the district to continue to subsidise this route for the time being until the medium term future of the service is resolved in consultation with the PTU and the Primary Care Trust. *It is recommended that £10,400 is allocated to this service subject to review.*

4.2.5 Route 395 Sele Farm – Fanham Common

Both the Monday to Saturday and the Sunday evenings services are considered to be important services linking Hertford and Ware taking in both Sele Farm and Pinehurst housing estates and providing access to and from the towns' centres and to the Hertford Regional College. *It is recommended that this route be retained with a subsidy of £41,000.*

4.2.6 BSMT Bishop's Stortford Mini Bus Trust

When the new service provided by BSMT was introduced in 2008 to replace the withdrawn Route 4, Thursday service to St Elizabeth's Centre, the PTU wished to support the development of an alternative bus service and agreed to pay BSMT the same amount of £5,000 per annum that was paid to the original contractor: HCC has confirmed that this funding commitment will continue for a further two years. *In line with HCC's commitment it is recommended that £4,300 is allocated to this community transport initiative for at least the next two years.*

4.2.7 Sawbridgeworth SW1/2/3

The service covers a relatively short distance in terms of mileage

running in continuous loops around Sawbridgeworth. It is relatively well used. The buses that run the service were purchased by HCC and the service has been funded through the government's Rural Bus Grant without any subsidy contribution from East Herts Council. The Rural Bus Grant has since ceased to be available. This provides an opportunity for review of the service which currently costs HCC £48,000. Discussions with HCC's PTU indicate that there may be alternative solutions to this route with potential for a more focused, community transport operation that addresses the key needs of local residents e.g the Hailey Day centre run, the Bullfields estate and the station. HCC has indicated that it would be prepared to donate one of the buses to such a venture. Potential partners and funding sources will be sought, including other local authorities and partnership funding (note: part of the route falls within Essex). HCC currently has a contract with Arriva for this service that is subject to a six month notice period but may be terminated sooner by mutual agreement. *It is recommended that East Herts Council makes available a subsidy contribution of approximately £24,050 for a community transport initiative.*

4.3 Appendix 'B' (Page 9.8) sets out the funding position up to East Herts Council's budget of £86,650, should the committee be minded to accept the recommendations in paragraph 4.2 above.

5.0 Consultation

5.1 Consultations have taken place with HCC's PTU, Sawbridgeworth district councillors and Sawbridgeworth Town Council.

6.0 Legal Implications

6.1 As a district local authority this is a non-statutory service for East Herts Council

7.0 Financial Implications

7.1 As detailed in the report.

8.0 Human Resource Implications

8.1 None.

9.0 Risk Management Implications

- 9.1 Failure to support public transport services or offer alternative provision could reduce accessibility particularly in the rural areas.
- 9.2 Should Members be minded to adopt the recommendations in the report, Members' attention is drawn to the fact the implementation of community transport initiative would be subject to negotiation, contributions being forthcoming from other sources and an appropriate provider being identified.
- 9.3 The Council will work with HCC's PTU to manage the public relations issues associated with the recommendations at the head of this report.

Background Papers

Bus strategy – area network review – Hertfordshire County Council Highways and Transport Panel (6 March 2008).

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