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Report to: Transport Committee

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Subject: Supported Bus Services

Is this a key decision?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Is the decision eligible for call-in?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Does the report contain confidential or exempt information?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
If relevant, state paragraph number of Schedule 12a, Local Government Act 1972, Part 1	

1 Purpose

- 1.1 To seek endorsement of the steps taken to deliver supported bus services within the budget allocated by the Combined Authority.

2 Information

- 2.1 The Authority currently spends £18.235m commissioning socially necessary bus services. Contracts are awarded to provide services which are not viable for bus companies to provide on a commercial basis. The Transport Committee adopted policy guidelines for bus service provision in November 2015 (see **Appendix 1**).

The budget supports the following

Travel on Sundays	22%
Evening access to work and leisure	21%
Travel to school/ college	19%
Serving communities without a bus service	14%
Morning access to employment	13%
AccessBus	10%
Seasonal access to leisure	2%

- 2.2 A review is under way of the impact of the Authority's expenditure on bus services and options to ensure this significant area of expenditure is meeting the mobility needs of the region. The review will seek to transform this area of activity to give communities the transport provision which most effectively meets their needs. The review will be presented to the Committee later in the year.
- 2.3 The Combined Authority has reduced its budget in 2017/18 for bus services by £650k. In order to ensure the service operates within its budget, the Bus Services Team has been engaged in a comprehensive review of current contracts to obtain efficiencies

and to identify those services where the subsidy per passenger journey exceeds the maximum set by the current guidelines.

- 2.4 On average, each passenger journey made on bus services operating under contract with WYCA is subsidised by £1.85. The Authority’s guidelines establish that services exceeding £3 per passenger trip should be reviewed for cost saving and those exceeding £4 should be considered for withdrawal. These metrics are used as an average across all of the supported trips in a timetable (i.e. some poorly used, high subsidy trips may be balanced against better used trips where the subsidy is low).
- 2.5 A journey by journey analysis has been undertaken to identify those trips which exceed £3 per trip the fully costed value of which is approximately £850k. However, only marginal cost savings can be obtained from such an exercise as the bus being procured will be providing a service meeting the Authority’s criteria. Most of the savings required will need to be found by renegotiating existing contracts within their current term; the contract terms allow for this.
- 2.6 Priority has been given to ensuring all communities maintain an hourly Monday to Friday daytime provision and services timed to link with employment and training are maintained. Consideration has therefore been given to withdrawal of poorly used journeys at evenings and on Sundays where on average less than five people are travelling. There are several areas where a review of the efficient use of bus resources can enable savings targeted at poorer used journeys.
- 2.7 The annual review of school bus service contracts ahead of the new academic year has identified opportunities to consolidate the number of buses required. The impact of changes to the Council’s school transport eligibility policies are reducing demand year on year. In 2017/18, a reduction of 33 buses can be achieved enabling a total saving of approximately £600k pa of which WYCA’s share will be c £200k pa (£115 in 17/18) with the remainder of the saving accruing to District Councils. All pupils eligible for free travel will be catered for together with those non eligible pupils where no alternative bus service exists. In some cases, pupils may be required to travel on the regular service network where this is available for their journey.
- 2.8 To date, savings of £156k pa have been obtained from procurement and renegotiation with operators. The table below sets out a further potential savings in line with the Authority’s policies. In most cases this would involve withdrawal of journeys carrying an average of less than five passengers. These will be subject to liaison with affected ward members and negotiation with bus operators.

All Districts	£ full year
Net savings made to date in procurement and renegotiation with operators	£156,000
Reduce numbers of buses by consolidating services together , all eligible pupils will have a service, some pupils may have longer journeys	£200,000
Bradford	

Reduce evening operation 845 in South Bradford (currently maintained subject to patronage) withdraw poorly used journeys (mostly Sundays)	£90,000
Calderdale	
Sowerby minibus to be replaced by taxi services and redeployed to serve parts of Hebden Bridge freeing up a bus resource. Withdraw poorly used journeys elsewhere (mostly Sundays)	£80,000
Kirklees	
Revise Holme Valley network maintaining an hourly service to all parts. Withdraw poorly used journeys elsewhere (mostly Sundays)	£60,000
Leeds	
Withdraw service to Cross Green industrial area which will be served by Temple Green Park & Ride following the provision of new stops Withdraw poorly used journeys elsewhere (mostly Sundays)	£100,000
Wakefield	
Review Wakefield city network - all communities retain daytime service - reduced evening operation. Withdraw poorly used journeys elsewhere (mostly Sundays)	£90,000
Total Potential Cost Reduction	£776,000

2.9 When these negotiations have been concluded, briefing notes will be prepared for each of the District Spokespersons detailing the affected services. Ward member briefings will also be issued.

2.10 It is proposed that the Committee's Local Bus Working Group has oversight of the changes to services outlined in this report and that a meeting be arranged in September/ October 2017 to review progress.

3 Financial Implications

3.1 The changes to service contracts as proposed in this report will enable the Authority to meet the revised budget for supported bus services of £18.3m

4 Legal Implications

4.1 The proposed changes to services set out in this report are within the guidelines established by the Authority in 2015. WYCA contracts with bus operators allow for amendment if passenger demand is not sufficient to meet the Authority's guidelines

5 Staffing Implications

5.1 None as a result of this report.

6 External Consultees

6.1 None.

7 Recommendations

7.1 That a review be made of the current policy and practice of supported bus services to ensure it is effectively meeting the mobility needs of the City Region

7.2 That the Committee endorses the action proposed in this report to withdraw poorly used bus service journeys in accordance with the Guidelines approved by the Committee in November 2015.

7.3 That the implementation of the changes to services outlined in this report be reviewed by the Local Bus Services Working Group.

8 Background Documents

8.1 As identified in the report.