

Draft PTPS background information

Historic policy

1. The Transport Act (1985) states that it is the “Duty of the County Council to secure the provision of such public 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”.
2. Between 2002 and 2014, the County Council operated a 95% Bus Coverage Policy which, in conjunction with the commercial bus network, provided a daytime (Monday to Saturday) bus service of an hourly frequency or better, within an 800 metre walk, for 95% of the County residents.
3. The policy was reviewed through a Scrutiny Review Panel between 2012 and 2014, in recognition of the bus market maturing and the local demography and economy changing. In September 2013 the Cabinet approved a “Revised Policy for the Supported Bus Network” (Appendix C), which guides the Authority’s current approach.

Current local bus policy

4. The current policy defines what the Authority considers the essential transport needs of residents, balanced against affordability and value for money in order to influence what (if any) service should be provided. Objectives will be met through a mix of:
 - conventional bus services for higher demand areas
 - less frequent minibuses and demand responsive transport (DRT) type services for low usage areas e.g. rural areas.
5. However, shifting demographics and market forces have meant that more areas are now seeing less frequent commercial bus services. The viability of more routes is being called into question by commercial operators, with the likelihood that more services will be withdrawn if there is no local authority support.
6. This increased demand for the Council’s support, compounded by the increasing cost of providing bus services and budget constraints, requires a review of the existing contracted provision.
7. In order for all existing supported services to be considered in the development of the PTPS all tendered bus service contracts (including CBPs) have, where necessary, been extended until its adoption.

Existing service expenditure

8. Current expenditure on services within scope of the PTPS is identified in the table below:

Service Provided	2018/19 Total Budget £
Local Bus Service	1,940,000
DfT Bus Subsidy Operator Grant (BSOG)	-423,000
Demand Responsive Transport (DRT)	135,000
Community Transport Providers	471,000
Public Transport Information	191,000
Total	2,314,000

9. A list of the current local bus services is provided in **Appendix F**. The contracts cover all of the service operation or part-service operation. Park and Ride services are not within scope of the PTPS, as explained in paragraph 18 of this report.
10. The Bus Service Operators Grant (BSOG) payment is made directly to the Authority. It relates to the element of fuel duty rebate previously paid to bus operators, where these services were entirely contracted by and operated at risk to the Authority. This figure was fixed by government a number of years ago and has not changed, regardless of any changes in contract provision.
11. There are currently 40 Demand Responsive Transport services under contract across the County, providing transport for rural isolated villages where there are no public transport services available. These services provide transport into the nearest settlement or market town and operate at fixed times on fixed days and must be pre-booked for the service to operate.
12. There are 13 Community Transport Providers operating schemes, supported by the Community Transport Grant across the whole of the County. They provide transport for elderly, infirm, disabled and rurally isolated residents who cannot access or use conventional bus services.
13. In previous years some cost savings have been made in-year with contract changes previously agreed by the Cabinet. Understanding more recent commercial changes to bus services, these savings were identified as a budget contingency / provision for cost increases, including provision to subsidise bus services / routes that are no longer commercially viable. The budget, however, has now been brought into line with expected expenditure for the 2018/19 budget. Therefore, should further commercial services be withdrawn, any additional budget required will need to be found from within other existing Environment and Transport revenue budgets.
14. The Public Transport Information element involves a variety of tasks, such as the promotion of bus services, the maintenance of bus shelters, and the provision of data through websites. This helps to ensure residents are aware of the different types of passenger transport available and that supporting infrastructure is appropriately maintained.

Catalysts for Change

15. The March 2018 Cabinet report set out the main catalysts for change and the need to develop a new PTPS. These were:
- The Bus Services Act (BSA) April 2017
 - The Medium Term Financial Strategy 2018/19 to 2021/22 - £400,000 saving arising from the implementation of a PTPS
 - The County Council's new Strategic Plan and Single Outcomes Framework, adopted in 2017
 - The outcome of the 2017 Community Bus Partnership Review.

Passenger Transport Policy and Strategy

Scope

16. The PTPS would be applicable to road-based general passenger transport services within Leicestershire. This covers a broader spectrum than just conventional "big bus" services and includes passenger transport solutions using a range of appropriate smaller vehicles.
17. Rail travel, commercial taxi and private hire services, and specialist transport services for education and social care purposes, are not included, as these are dealt with in other policy documents.
18. Park and Ride services form part of transport initiatives that Leicestershire County and Leicester City Councils have implemented to tackle congestion in the Leicester urban area and are therefore not covered in any detail.
19. The Authority's statutory duty and responsibility with regard to the provision of transport to school is covered under the Mainstream Home to School/College Transport Policy and therefore is not in scope of the PTPS. The draft PTPS will look to maximise value from services provided and this may include looking at their potential to carry school and college attendees.
20. The draft PTPS covers two specific elements:
- a) The policy objectives i.e. what the Authority is trying to achieve in relation to passenger transport
 - b) How those objectives will be delivered, including what is value for money within the available resource.
21. This will allow the Authority to:
- Meet its statutory duties
 - Address priority needs within budget constraints
 - Ensure services are delivering value for money
 - Inform and manage expectations about the likely levels of service
 - Provide a transparent process for decision making and priorities.

22. Copies of the draft PTPS can be found at Appendix A (Policy) and Appendix B (Strategy). This sets the context against which service delivery and performance will be monitored on an ongoing basis. A summary of the PTPS is provided below.

Key draft policy approach

23. There are four key elements of the draft Policy that should be noted:
- The emphasis that is placed on the reliance of commercially operated bus services to meet the needs of most Leicestershire residents.
 - The focus on community based solutions as the first port of call where passenger transport needs are not met by commercially operated bus services.
 - That the Authority will only consider intervening where appropriate community solutions cannot be delivered. Intervention is unlikely to be in the form of a conventional bus service however.
 - There may be circumstances where due to funding limitations it is not possible to meet an area's particular needs (either full or part).
24. In proposing this approach, officers are seeking to strike a balance between the approach adopted/proposed by some other authorities withdrawing all funding support for passenger transport services, with the need to have a transparent and equitable process in allocating limited resources to best meet accessibility objectives.

Key draft strategy priorities

Support commercial network

25. Many people's passenger transport needs in Leicestershire will be met by commercial operators. The draft Strategy therefore gives priority to supporting the commercial market, by both encouraging use of those services and by working with operators to create the conditions in which commercial services can thrive.
26. Where the commercial market cannot meet some transport needs, the Authority has to consider whether it should intervene organisationally, operationally or through financial support to any additional passenger transport.

Identification of priority groups

27. Priority is given to the meeting some of the key needs of the following groups:
- Older population,
 - Disabled
 - Isolated people
 - People living in employment-deprived areas in order to help them access the job market.

Access to a local centre

28. Where considering supporting services to supplement those provided commercially, the draft Strategy gives the highest priority to the following journey purposes:
- Food shopping
 - Primary healthcare
 - Employment and training
29. It should be noted that despite the relatively low use for healthcare, officers propose that enabling access to primary healthcare should be considered important in meeting a number of the wide ranging outcomes set out in the Strategic Plan.
30. The draft Strategy is therefore focussed on supporting passenger transport services that are most likely to enable people to access a range of such services and facilities. Priority is given to trying to ensure that as many Leicestershire residents as possible are able to reach a local centre at least once per week.

Definition of core times

31. The draft Strategy focusses on supporting passenger transport trips on certain days of the week and at certain times. In general, these are the times when the highest priority journey purposes are likely to be wanted. Consideration will only be given to supporting services that depart or arrive at their first Leicestershire location between the following times:
- Monday to Friday 07.00 to 19.00
 - Saturday 08.00 to 18.00

Financial support for passenger transport services

32. It is intended that all currently supported bus services will be reviewed under the new PTPS following its adoption, as will any services where an operator proposes to withdraw a commercial service. Under the draft PTPS financial support will only be provided if a supported replacement bus service or part-service scores well under an objective assessment scoring scheme. This will enable the key aspects of the benefits and costs of supporting that service to be captured. Three key indicators to be used in the assessment are:

Assessment Criteria	Description
1. Net subsidy cost per passenger - km	This is the main indicator of value for money and compares the cost of supporting the service with the actual or forecast demand. The net cost part of this measure takes account of what the cost would otherwise be of arranging alternative school transport

	where the service provides travel to school / college for entitled pupils, and of the additional cost of providing free travel to concessionary pass holders.
2. Number of Leicestershire residents within the bus service's catchment area who do not have access to another direct service to a local centre by other means (e.g. another bus or train service stopping within 800m of their home), and who are not within reasonable walking distance (800m) of a local centre.	This indicator relates to the number of people for whom a particular service has a high value. Where the catchment area includes areas of employment deprivation, people within the employment-deprived areas will count double for this measure.
3. Journey purposes served	Bus services that accommodate a number of high priority journey purposes are considered more 'valuable' than those that focus primarily on lower priority journey purposes.

33. Once a bus service has been through the scoring mechanism, the resultant overall score (out of 35) will be viewed in the context of a case-for-support rating and used by officers to decide what intervention, if any, should be provided. Any decision on the future of services will consider the implications of service removal on the overall provision of commercial passenger transport in the local area.
34. Where an existing bus service scores poorly under the objective scoring mechanism and is therefore withdrawn or curtailed, the Authority will consider the case for providing a localised 'lifeline' demand responsive transport (DRT) service. The best candidate service option will be determined by officers (in collaboration with community representatives, where possible) and will normally be the option that offers the best value within affordability constraints.
35. Even where a bus service scores well there could be occasions where the Authority is not able to provide financial support due to budgetary pressures.