



AGENDA

SELECT COMMITTEE - BUS TRANSPORT AND PUBLIC SUBSIDY

Friday, 15th July, 2016, at 10.00 am

Ask for: Denise Fitch/Gaetano Romagnuolo

Stour Room, Sessions House, County Hall,
Maidstone

Telephone 03000 416090/ 416624

Tea/Coffee will be available 15 minutes before the start of the meeting in the meeting room

Membership

Mr M Baldock, Mr A H T Bowles, Mr C W Caller, Mr I S Chittenden, Mr M J Harrison,
Mr G Lymer, Mr B E MacDowall, Mr R A Marsh and Mrs J Whittle

UNRESTRICTED ITEMS

(During these items the meeting is likely to be open to the public)

1. Election of Chairman
2. Terms of Reference, Scope and General Approach for the Review
(Pages 3 - 10)

REPORT FOR INFORMATION

3. KCC Bus Funding Review - Report into Public Consultation and Recommended Actions (Pages 11 - 18)

The attached report (for Members information) was considered at the meeting of the Environment and Transportation Cabinet Committee on 8 July 2016.

The webcast for this meeting is available via the following link:

http://kent.public-i.tv/core/portal/webcast_interactive/228512

EXEMPT ITEMS

(At the time of preparing the agenda there were no exempt items. During any such items which may arise the meeting is likely NOT to be open to the public)

Peter Sass
Head of Democratic Services
(03000 416647)

Thursday, 7 July 2016

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By: Gaetano Romagnuolo, Research Officer (Overview and Scrutiny)

To: Bus Transport Select Committee – 15 July 2016

Subject: Bus Transport Select Committee Topic Review

Classification: Unrestricted

Summary: To discuss and agree proposed Terms of Reference, Scope and general approach for the Review

1 Introduction

Bus services are key to providing a transport network that enables access employment, education, retail, leisure and health services in the county.

As the local transport authority for Kent, Kent County Council is responsible for promoting and improving the social, economic and environmental wellbeing of the area and for implementing local transport schemes that support these long-term objectives.

Although KCC does not directly influence the provision of commercial bus services, the local authority works closely with private bus operators to improve the quality of services and to ensure that the highway network is planned and managed effectively. For the last 30 years KCC has also subsidised a number of routes which, while not commercially viable, have been considered important to the needs of the communities and passengers they serve.

While KCC has endeavoured to protect these subsidies, significant budget pressures now require a careful consideration around the extent to which the local authority can afford to support local bus transport. This provides an opportunity for the Select Committee to examine the current delivery model of local bus transport, assess the extent to which KCC can afford to support this model, and explore alternative delivery models and their viability and effectiveness.

The timing of the review is appropriate; the recent Bus Services Bill offers a number of tools to help local authorities and bus operators unlock the potential of the bus industry to provide more efficient and effective services in the current economic climate to meet the needs of the county.

2 Committee Membership

The Select Committee consists of nine elected Members of Kent County Council:

Mr M Baldock (UKIP)

Mr A Bowles (Conservative)

Mr C Caller (Labour)

Mr I Chittenden (Liberal Democrat)

Mr M Harrison (Conservative)

Mr G Lymer (Conservative)

Mr B MacDowall (UKIP)

Mr A Marsh (Conservative)

Mrs J Whittle (Conservative)

3 Resource Implications

As stated in KCC's Constitution (Appendix 4, Part 4, Paragraph 4.21), the Select Committee should make explicit the likely resource implications of their proposals and have due regard to their affordability and deliverability, taking account of the resources available to the Council.

4 Draft Terms of Reference

1. To examine the current delivery model of local bus transport in Kent.
2. To assess the extent to which KCC can prioritise support of the current delivery model of local bus transport in Kent, while having due regard to the resource implications and the budget setting processes.
3. To explore whether alternative models of local bus transport delivery are available and, if so, to consider their viability and effectiveness.
4. To consider the implications of the recent Bus Services Bill for bus transport in Kent.
5. For the Bus Transport Select Committee to make recommendations after having gathered evidence and information throughout the review.

5 Draft Scope

The complexity of this topic and the tight timeframe of the review require a clear and focused approach. Possible key themes and aspects to be covered by the review are detailed below:

1. To examine the current delivery model of local bus transport in Kent.
 - a. To explore the structure and operation of the current model of local bus transport in Kent.
 - b. To consider the roles and responsibilities of KCC, local bus operators and partner organisations in relation to the delivery of this transport model.
 - c. The focus of the review, as agreed by the Scrutiny Committee, is on bus transport and its public subsidy. It is therefore proposed to include a consideration of the Kent Young Person's Travel Pass but to exclude an investigation of the general issue of school transport on the grounds that this is a commissioned service and, as such, entails additional complexities and sits outside the review's remit.
2. To assess the extent to which KCC can prioritise support of the current delivery model of local bus transport in Kent, while having due regard to the resource implications and the budget setting processes.
3. To explore whether alternative models of local bus transport delivery are available and, if so, to consider their viability and effectiveness.
 - a. To explore whether alternative delivery models of local bus transport are available, including an investigation of the role of Community Transport.
 - b. To consider the viability and effectiveness of any models identified.
4. To consider the implications of the recent Bus Services Bill for bus transport in Kent.
 - a. To consider the implications of the recent Bus Services Bill for bus transport in Kent.
 - b. To explore the opportunities that the Bus Services Bill offers to help local authorities and bus operators to provide more efficient and effective services in the current economic climate.
5. For the Bus Transport Select Committee to make recommendations after having gathered evidence and information throughout the review.

6 Proposed Timetable (summary)

July 2016	Informal cross-party meeting for Committee to discuss the Terms of Reference of the review
July 2016	First meeting of Select Committee, to appoint the Chairman and to discuss and agree the Terms of Reference of the review
September 2016	Arrangements for hearing sessions, site visits, written evidence and other evidence gathering methods
October 2016	Hearings and possible visits
Early November 2016	Committee meets to identify key issues and to make recommendations
Mid November to mid December 2016	Report writing, production of first draft
Early January 2017	Committee discusses the first draft of the report and suggests amendments. Amendments carried out accordingly
Late January 2017	Select Committee share the draft report with Cabinet Member(s) and Corporate Director(s)
Mid February 2017	Select Committee to agree the final report
Mid February 2017	Report shared with relevant boards (by email)
Late February 2017	Despatch for Cabinet
Early March 2017	Report presented to Cabinet
8 March 2017	Despatch for County Council
16 March 2017	Report presented to County Council

7 General Approach

The review is proposed to include a short period of desk-based research. Oral and written evidence will be obtained during the course of the review. Site visits may also be organised.

8 Evidence Gathering – Hearings

It is proposed that a number of hearing sessions of 45 minutes each will take place in October 2016. Hearings will normally be open to the public unless there is a specific requirement to hold a closed session.

It is proposed that Members remain for 20-30 minutes after each set of interviews (normally no more than 3 in each set) to ensure that all views, key points and emerging recommendations are captured.

Details of suggested witnesses/organisations to invite to hearings are outlined below. Others may be suggested as the review progresses (written evidence may be requested from those who are unable to attend or cannot be included in the timetable).

- KCC officers from the **Public Transport team** (to provide an overview of the main issues, information, figures etc)
- **Mr Matthew Balfour**, Cabinet Member for Environment and Transport, Kent County Council
- Representatives of local organisations and/or KCC officers involved in **community transport** (eg Kent Karrier, British Red Cross Transport Service, Compaid etc)
- Representatives of **bus operator companies** in Kent (eg Arriva, Stagecoach, NuVenture, Kent bus operator organisations that can represent the views of bus operators in Kent)
- Representatives of **senior citizens** using concessionary fares
- Representatives of particularly **vulnerable groups** of people using subsidised bus transport in Kent (eg people with disabilities)
- Representatives of **rural communities** in Kent
- Representatives of the **Department for Transport** (to talk about the recent Bus Services Bill and other related national policies and strategies)
- Representatives of the Department for Infrastructure of the States of **Jersey and HCT Group** (to discuss the Jersey model of bus transport and their experience of the franchising process)
- Representatives of **Transport for London** (to talk about their commissioning model)

- Representatives of **Cornwall Council** (to discuss their Devolution Deal and the associated new powers to franchise bus services)
- Representatives of **local authorities** that severely reduced or discontinued their subsidy for bus transport
- Representatives of **other organisations** that can contribute with information and evidence with regard to bus transport in Kent (eg Community Transport Association, Passenger Focus, Confederation of Passenger Transport)
- Representatives of Kent **District and Borough Councils** (to talk about Quality Bus Partnerships)
- **Academics, professionals, advisers** and other witnesses who can make relevant contributions
- **Other**

9 Site Visits

A number of site visits may be organised to provide Members with the opportunity to gain a better insight into particular issues with relevance to the review.

10 Project Risks

The tight timescale necessitates a focused approach. There is no opportunity for an extension given the period of purdah prior the local elections in May 2017.

Recommendations:

1. To agree the Terms of Reference and general approach to the review of Bus Transport

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From: Matthew Balfour, Cabinet Member for Environment and Transportation
Phil Lightowler, Head of Public Transport

To: Environment and Transport Cabinet Committee – 8 July 2016

Subject: **KCC Bus Funding Review - Report into Public Consultation and Recommended Actions**

Key decision: **16/00057**

Classification: **Unrestricted**

Past Pathway of Paper: Environment and Transport Cabinet Committee – 11 March 2016

Future Pathway of Paper: For Cabinet Member Decision

Electoral Division: Countywide

Summary:

In 2016/17, the Public Transport Budget for socially necessary buses was reduced by £1m. It has been possible to deliver up to £580k savings through returning some services to commercial bus operation and efficiency savings. To deliver the remaining £400k, officers engaged with bus operators to identify a range of measures to existing services. A public consultation on these measures was undertaken from 21 March 2016 to 15 May 2016. There were 424 respondents to the public consultation, of which 276 were focused on the individual service initiatives.

This report highlights the findings of the consultation and changes proposed for individual services.

Recommendation:

The Cabinet Committee is asked to endorse and recommend to the Cabinet Member for Environment and Transport the implementation of the package of supported bus service initiatives as outlined in paragraph 2.3 below.

1. Introduction

1.1 In 2016/17, the budget for socially necessary budgets was reduced by £1m to £5.6m (net). £580k savings have already been delivered by returning services to commercial bus operators and efficiency savings. On 11 March 2016, this Cabinet Committee agreed to undertake a public consultation on a package of supported bus service initiatives with the aim of delivering the remaining £400k savings target.

1.2 This report reviews the consultation outcomes and provides appropriate recommendations.

2. Consultation Outcome

2.1 The public consultation ran from 21 March 2016 to 15 May 2016. During the consultation period, a total of 424 responses were received. There were 276 responses to specific service initiatives in the consultation document and 63% of respondents used the services affected. Of the 276, 175 of the respondents identified themselves as being in a protected group as per the EqIA.

2.2 The public consultation identified the following key messages;

- Respondents generally seem to recognise the need for change and that some mechanism is needed to try to make a fair decision. However not all respondents agreed with the weighting given (or not given) to particular groups
- There appears to be a reasonable level of general agreement with the scoring method.
- To some extent, concerns may reflect a lack of understanding of exactly what the proposed changes entail suggesting a need to reassure users – including providing reassurance around alternative provision
- There appears to be a reputational issue relating to some alternative service providers that needs to be overcome if users are to consider these an acceptable replacement
- A proportion of users appear able to drive as an alternative but are concerned about the knock-on consequences of this

2.3 Appendix 1 provides a summary of service specific response numbers, the key themes, the user category, an overview of estimated annual passenger use, the mitigations and the impact scores.

A summary of the recommended changes for each service are shown below. Paragraphs 2.4 to 2.11 provide more detailed analysis of the main messages from the consultation.

Service No.	Operator	Route	What KCC pays for	Summary of proposed changes
2	Stagecoach	Ashford to Rolvenden	Evening journeys Monday to Saturday	The 22:05 Ashford to Rolvenden and 22:49 Rolvenden to Ashford journeys will no longer run. The other journeys will not be funded by KCC but will continue to be provided by Stagecoach without subsidy.

Service No.	Operator	Route	What KCC pays for	Summary of proposed changes
89	Arriva	Maidstone to Coxheath	Evening journeys Monday to Saturday	Evening journeys will be withdrawn. The route will be replaced by evening journeys on service 5, which will divert to serve Coxheath providing a similar level of service.
5	Arriva	Maidstone to Hawkhurst	Evening journeys Monday to Saturday	This service will divert via Coxheath in the evenings to provide a replacement to cover the withdrawal of service 89 (above).
89	Stagecoach	Dover to Folkestone	Evening journeys Monday to Saturday	The 19:43 and 21:57 from Dover and 22:27 from Elvington will no longer run. The other journeys will not be funded by KCC but will continue to be provided by Stagecoach without subsidy.
102	Stagecoach	Dover to Lydd	Evening journeys Monday to Saturday	The 20:35 journey from Dover will run as far as New Romney. The current 22:06 from Lydd will start from New Romney at 21:48. The 21:06 journey from Lydd will terminate at Folkestone. The 22:40 and 23:35 journeys from Dover to Folkestone will be replaced by a journey at 23:05. The 22:05 and 23:05 journeys from Folkestone to Dover will be replaced by a journey at 22:35.
123	Nu-Venture	Kings Hill to West Malling Station	All journeys Monday to Friday	Service 123 will be withdrawn. Instead a new X1 service will be introduced which will operate between Kings Hill and Maidstone via West Malling Station, which alongside other existing services will provide similar links.
203	Autocar	Benover to Paddock Wood	Monday and Wednesday Shopper Bus	The service will no longer run on Mondays. The Wednesday service would continue unchanged.
204	Autocar	Tonbridge to Underriver	Two round trips on Monday to Friday	The service will no longer run on Wednesdays. The rest of the service continues unchanged on all other days.

Service No.	Operator	Route	What KCC pays for	Summary of proposed changes
205	Arriva	Tonbridge to Paddock Wood	Saturday service	KCC will no longer fund this service. Autocar will provide a reduced level of service without subsidy from KCC.
402	Arriva	Tonbridge to Hildenborough	The 17:03 journey on a Saturday.	This journey will be withdrawn.
217	Arriva	Trench Wood to Ramslye via Tonbridge and Tunbridge Wells	Evening journeys Monday to Saturday	The Tunbridge Wells to Ramslye section will be withdrawn but will be covered with existing service 28. Other journeys will not be funded by KCC but will continue to be operated by Arriva without subsidy.
477	Arriva	Swanley to Dartford	Early morning and evening journeys Monday to Saturday	The morning journey and some evening services will continue to operate without subsidy but the evening service will finish at 21:00 on Mondays to Fridays and 22:00 on Saturdays. The evening service from Swanley to Orpington will stop entirely.
12RL	Clarkes	Tenterden to Headcorn Railway Station	Monday to Friday commuter service	This service will be withdrawn. KCC are arranging for Arriva to make changes to the timetable for the existing number 12 service, which will provide cover for some 12RL journeys.
14A	Stagecoach	Canterbury to Deal	Evening journeys Monday to Saturday	The existing 22:00 journey from Canterbury will run at 22:35. The 22:50 from Canterbury and 23:30 from Sandwich will no longer run. Other journeys will continue to be operated by Stagecoach without subsidy.
15 / 15A	Stagecoach	Dover to Sandown	Evening journeys Monday to Saturday	The 17:47 and 18:56 from Deal to Sandown and the 17:54 and 19:03 from Sandown as far as Deal will stop entirely and will not extend to Sandown after 16:55. Other journeys will continue to be operated by Stagecoach.
3 / 3B	Stagecoach	Canterbury to Faversham	Evening journeys Monday to Saturday	The service will continue to be operated by Stagecoach without subsidy but will finish after 21:00.

Service No.	Operator	Route	What KCC pays for	Summary of proposed changes
541 / 542 / 544	Regents Coaches	Elvington to Dover, Walmer to Sandwich, Walmer to Canterbury	Off peak shoppers services on Monday to Saturdays	To address concerns raised during the consultation, officers will develop further proposals including mitigation measures to deliver the service at reduced cost and report back to the Cabinet Member for Environment and Transport.

2.4 Three services attracted significant number of responses. These were;

- Service 123 - 51
- Service 12RL - 44
- Service 541/2/4 - 30

This compares with an average response rate of 11 for the other service initiatives.

Service 123

- 2.5** In respect of service 123, the consultees were not provided with an alternative timetable for the proposed new service, X1, which is designated as the replacement for service 123 and will be funded as part of the section 106 development agreement with Liberty. Therefore consultees had no information on which to determine whether the proposed replacement service would continue to provide the current level of journeys, hence the high level of concern expressed.
- 2.6** Service X1 will provide a new express bus service between Kings Hill and Maidstone and retain rail connection services provided by the 123 service. Based on the consultation responses officers are reviewing the proposed timetable of the X1 Service to ensure that the rail connection element provides the same level of service as currently provided by the existing service.
- 2.7** Concerns were also raised in respect of reliability as the service will be linked with through journeys to Maidstone. To mitigate this and deliver the timetable there will be a mixture of through journeys to Maidstone and also short workings between Kings Hill and West Malling Station, and therefore officers believe the service will be reliable. The journey time between Kings Hill and Maidstone has also been designed to be reliable, operating via the M20.
- 2.8** Overall, the proposed X1 timetable will provide the rail connection between the Kings Hill development as presently provided by service 123, in addition to a new express service for Kings Hill residents to Maidstone and a higher frequency service in the off peak period to West Malling Station.

Service 12RL

- 2.9** The concerns raised concerning service 12RL mirror those of service 123 users. In the consultation a detailed alternative timetable for the proposed new service 12 was not provided. Therefore the current users of service 12RL were not in a position to comment on the level of proposed alternative provision and their concern is therefore understandable. Officers working with Arriva have developed proposals which would see service 12 deliver the same level of service that the 12RL service currently provides and should also provide the same level of journey options. The concerns expressed by respondents over service reliability have been noted and officers will work closely with Arriva during implementation to ensure that journeys operate reliably and address any concerns raised by users.

Services 541, 542, 544

- 2.10** The consultation identified strong concern over the proposed changes to services 541/542/544. Taking into account the concerns raised and the fact that service provision will reduce, officers are developing further options for providing the current level of service but at reduced cost. Revised proposals will be brought to the Cabinet Member at a future date.

Communications

- 2.11** The consultation showed that there is a need for stronger promotion of changes to service provision. Officers will therefore work closely with operators to ensure that information is distributed in the most efficient manner, to raise service awareness using a range of communication media including the KCC Website, operator websites, direct communications to affected parishes, posters and flyers on service buses. In addition, Travelline South East will be updated accordingly.

3 Financial Implications

- 3.1** Delivery of the proposed service initiatives outlined in paragraph 2.3 above, should deliver a full-year annual saving of £428k. As the savings are being implemented in-year, the Public Transport Team will need to find further efficiencies from within its budget for 2016/17.

4 Legal implications

- 4.1** The Transport Act 1985 requires that Local Transport Authorities (LTA) consider the support of socially necessary bus services. However, expenditure in this area is a discretionary activity with LTA's being under no obligation to provide subsidy for this purpose.
- 4.2** Services carrying children with a statutory entitlement to free transport to school under the education act are unaffected by these proposals.
- 4.3** A failure to manage the process of change robustly in terms of demonstrating a consideration of the implications carries a possible risk of decisions being subject to judicial review. Public Transport Team has therefore sought advice

from other authorities and is satisfied that the proposed consultation and related EqlA processes, developed with KCC Equalities Team ensure that the authority is not exposed in this respect.

5 Equalities implications

- 5.1** The public consultation was supported by an over-arching EqlA and an individual EqlA for each proposed service change. The EqlAs were prepared by Public Transport with support from the KCC Equalities Team.
- 5.2** Following the public consultation the EqlA have been updated with necessary changes, based on the consultation responses.
- 5.3** The EqlA process identified that there would be a greater impact on; the elderly, disabled persons and disabled carers who are all identified groups within EqlA legislation. However, the approach proposed seeks to mitigate this impact as far as is possible and the Equalities team have verified that the process is robust in EqlA terms.

6 Other corporate implications

None.

7 Timetable

- 7.1** The proposed timetable for the implementation of service changes is;
- 08/07/16 Report to E&T Committee
 - 15/07/16 Renegotiate contracts with bus operators
 - September 2016 Service changes introduced
- 7.2** Implementation of the service changes would be managed by KCC Public Transport working with service operators.

8 Conclusions

- 8.1** The public consultation did not evidence any significant opposition to the proposed service initiatives, except for concern with respect to three individual services summarised in paragraphs 8.2 to 8.3 below
- 8.2** In respect of two of the services, 123 and 12L, it was clear from the consultation that concern was mostly due to respondents not having the opportunity to review the proposed alternative timetable, which would have addressed the majority of concerns expressed. To ensure that these concerns are addressed, the timetables have been reviewed again and in the case of X1, revised, to ensure the level of service is maintained.
- 8.3** In respect of the third service, 541/2/4, the concerns raised in respect of the diminution in service cannot be mitigated and further development of this initiative is required. It is proposed to remove this initiative from this package at this stage and to bring forward proposals at a future date.

8.4 The remaining package of service initiatives as outlined in paragraph 2.3 should be implemented.

9 Recommendation(s):

9.1 The Cabinet Committee is asked to endorse and recommend to the Cabinet Member for Environment and Transport the implementation of the package of supported bus service initiatives, as outlined in paragraph 2.3 above.

10 Background Documents

- Appendix 1: Consultation Summary
- Public consultation document – ‘Review of KCC funded bus service’
www.kent.gov.uk/busreview

11 Contact details

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