



AGENDA

SELECT COMMITTEE - BUS TRANSPORT AND PUBLIC SUBSIDY

Tuesday, 27th September, 2016, at 10.00 am

Ask for: Denise Fitch/Gaetano Romagnuolo

Swale 2, 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 R A Marsh (Chairman) 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 and Mrs J Whittle

UNRESTRICTED ITEMS

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

1. Minutes (Pages 3 - 6)

10.00 Phil Lightowler - Head of Public Transport, Kent County Council
(Pages 7 - 14)

12.00 Matthew Balfour - Cabinet Member for Environment and Transport
(Pages 15 - 16)

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)

Monday, 19 September 2016

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KENT COUNTY COUNCIL

**SELECT COMMITTEE - BUS TRANSPORT AND PUBLIC
SUBSIDY**

MINUTES of a meeting of the Select Committee - Bus Transport and Public Subsidy held in the Stour Room, Sessions House, County Hall, Maidstone on Friday, 15 July 2016.

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

IN ATTENDANCE: Ms D Fitch (Democratic Services Manager (Council)), Miss K Phillips (Strategic Business Adviser - GET), Mr G Romagnuolo (Policy Overview Research Officer) and Mr E Thomas (Policy Officer)

UNRESTRICTED ITEMS

1. Election of Chairman
(Item 1)

(1) Mr Bowles proposed and Mr Lymer seconded that Mr Marsh be elected Chairman on the Select Committee.

(2) RESOLVED that Mr Marsh be elected Chairman of the Select Committee.

2. Terms of Reference, Scope and General Approach for the Review
(Item 2)

(1) The Committee considered a report on the terms of reference, scope, potential witnesses and timescale for the review.

(2) Members had a free ranging discussion on the scope of the review and potential witnesses.

(3) In relation to the witnesses to be called, there was general agreement that a representative from the Traffic Commissioners, and the former Commercial Services Director should be invited to give evidence to the Committee. It was noted that the attendance of none KCC witnesses was subject to their agreement and availability.

(4) Mr Romagnuolo undertook to provide Member of the Committee with briefing notes during the course of the review.

(5) Ms Philips emphasised that the research resource for the review was Mr Romagnuolo and that therefore the Select Committees work programme should reflect the available research resource.

(6) RESOLVED that

- the terms of reference (copy attached as an appendix to the minutes) be approved and
- the general approach to the review, including the suggested witnesses and time table, as set out in the report be approved with the addition of the witnesses suggested in paragraph (3) above.

Select Committee Bus Transportation and Public Subsidy

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.

Agree by Select Committee – 15 July 2016

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Bus Transport Select Committee

Biography

Phil Lightowler

Head of Public Transport, Kent County Council

Phil has had a 25-year career in public transport and logistics. Starting as a management trainee within the bus service operating industry, he progressed to operational management roles and then moved for a short time to food logistics. Phil undertook roles in bus and coach strategy for BAA Heathrow. He also established a successful consultancy business before re-entering the bus service operating industry. Prior to joining KCC he worked for Serco, advising governments in the Middle East on establishing efficient bus networks, bidding for bus franchises and delivering real time management systems for the largest bus network in the Middle East.

Phil's role in KCC is to provide leadership, strategic direction and long-term vision in driving forward the development and delivery of high quality and cost effective public transport services and programmes, and ensuring a robust commercial approach to commissioning and delivery throughout the division. He leads and directs the Public Transport management team in order to ensure that statutory and corporate objectives and outcomes are delivered, and to ensure compliance with both statutory and locally set policy requirement and targets. Finally, Phil leads in the effective commissioning of sustainable and relevant services that are responsive to the needs of local communities within Kent.

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Bus Transport Select Committee

Hearing 1

Tuesday 27 September 2016

Witness Guide for Members

Below are suggested themes and questions. They have been provided in advance to the witnesses to allow them to prepare for the types of issues that Members may be interested to explore. All Members are welcome to ask these questions or pose additional ones to the witnesses via the Committee Chairman.

Themes and Questions

Phil Lightowler, Head of Public Transport, Kent County Council

- Please introduce yourself and provide an outline of the roles and responsibilities of your post.
- Please provide an outline of the structure and operation of the current model of local bus transport in Kent (please provide the Committee with key figures).
- Please discuss the role of Kent County Council in delivering public transport (delivery model).
- What is the difference between concessionary travel and supported services?
- Please discuss KCC's supported bus services in terms of the existing network, funding criteria and outcomes.
- Who are the main beneficiaries of KCC's Young Person's Travel Pass? Who are the main beneficiaries in Kent of the English National Concessionary Travel Scheme?
- Are there any groups of people in Kent who are not benefiting as much from these schemes? What can be done, if anything, to redress any imbalances?
- In your view, to what extent can KCC prioritise support of the current delivery model of local bus transport in Kent given the current resources available to the local authority?

- In your view, what are the main benefits and challenges associated with the recent Bus Services Bill?
- In your opinion, what are the main issues – if any – associated with bus transport in Kent?
- What can KCC do, if anything, to improve bus transport in Kent?
- Are there any other issues that you would like to raise with the Committee?

By: John Burr, Director of Highways and Transportation

To: Bryan Sweetland, Cabinet Member for Environment, Highways & Waste

Date: 21 February 2012

Subject: Approval of criteria for prioritisation of Supported Bus Services

Classification: Unrestricted

Summary: Kent County Council (KCC) currently commits around £7.6m (net) to supporting local bus services which are not provided commercially. These are largely catering for people living in rural areas and to enable services to operate in the evenings and at weekends.

On 22 November 2011 the Environmental, Highways & Waste Policy & Overview Scrutiny Committee recommended approval of new criteria by which KCC will prioritise spending on Supported Bus Services based on access to work, learning, healthcare and essential food shopping, days of operation and cost per passenger journey. The recommendations to the Cabinet Member were endorsed. They have also been considered by, and have the support of, the Finance Working Group to this Committee.

These criteria, if approved by the Cabinet Member, will be used to determine support in the event of a commercial bus service being deregistered, or notice being given by an operator of an existing subsidised bus service, in order to meet minimum social need, as well as to prioritise support should there be a reduction in KCC funding for bus services.

1. Introduction

- (1) Kent County Council (KCC) currently commits around £7.6m annually to supporting local bus services. The budget is fully committed in the current financial year and is likely to come under increasing pressure over the coming years for the following reasons:
- Commercial service withdrawals - when a commercial bus service is withdrawn KCC has a duty to assess whether it should intervene and support the service;
 - Operator gives Contractual Notice to cease operation of a subsidised bus service – KCC could procure a replacement service but the cost may increase.
- (2) In addition, KCC could decide to vary the supported bus budget. If and when any of these circumstances arise, it is essential that there is a method through which bus services are prioritised for support. This paper sets out the proposed prioritisation approach that would be used for adding/removing services.

2. Proposed new criteria for support of bus services

- (1) Support will be considered for a bus service that is not commercially viable if its main purpose meets one or more of the following journey activities:
- Access to work
 - Access to learning
 - Access to healthcare
 - Access to food shopping

KCC will provide for the minimum social need in this context.

- (2) In order to apply these criteria, services are ranked in the following descending order from priority 1 to priority 8, and also with priority given to the lowest £ per passenger journey (ppj) cost within each priority band:

Priority	DAYS OF OPERATION	£ Per Passenger Journey
1	Any day of the week	Less than £3
2	Monday to Friday	£3 to £5
3	Monday to Friday	Over £5
4	Saturday	£3 to £5
5	Sunday and evening	£3 to £5
6	Saturday, Sunday & evening	£5 to £7
7	Any day	Over £7
8	Poorly performing contracts with very limited implications	Regardless of cost

3. Procedure to be followed in the event of commercial bus service being deregistered or Contractual Notice being given on a subsidised bus service:

- (1) In either circumstance, KCC may undertake a costing exercise to assess the service according to the criteria set out above in order to meet minimum social need. This will therefore not always mean like for like replacement. Following a procurement process, if the service is in accordance with this policy and it is then likely to perform better than an existing supported service, KCC may intervene and fund the continued operation of the service in question. In such a circumstance, it is likely to be necessary to withdraw subsidy from other supported services to stay within budget.
- (2) This will be achieved by giving contractual notice on a sufficient number of the lowest priority supported bus services to remain within budget (prioritised as detailed above).
- (3) Operators and local members affected by the subsequent service withdrawals would then be given at least 90 days' notice of the intended withdrawals, and wherever possible arrangements will be made to amend either Kent Karrier or other community transport provision to meet the basic access needs of those passengers affected by the proposed withdrawal. Such withdrawals will be programmed to take effect on a quarterly basis, on 1st April, 1st July, 1st October and 1st January.
- (4) In order to structure withdrawals in this way, it will be necessary to include a contingency within the budget. This will cover the periods when KCC is supporting both the newly acquired services which have been deregistered and the subsidised services on which contractual notice would be given but which would still continue to operate until the next programmed date for withdrawals.

4. Procedure to be followed in the event of bus service withdrawals due to budget reductions:

- (1) If KCC withdraws funding from supported services due to a reduction in funding, a consultation would be undertaken on the affected route(s). This would consist of a media plan using the KCC website, District Council websites, on bus notices and direct contact with local Members, District and Parish Councils. There would also be an Equality Impact assessment (EIA) so as to ensure that any adversely affected groups (e.g. bus passengers with disabilities) were provided wherever reasonably practicable with a reasonable alternative.
- (2) Any decision to cease support for bus services, even those which were considered relatively straightforward, should not be taken lightly, but once made the decision should be maintained. Whilst passenger numbers are not substantial, services supported by

KCC carry a large proportion of elderly and disabled people as well as those who do not have alternative access to key services.

- (3) Wherever possible arrangements should be made to amend either Kent Karrier or other community transport provision to meet the basic access needs of those passengers affected by the proposed withdrawal.
- (4) Withdrawal of subsidised services should, wherever possible, be phased in accordance with the dates detailed above. However, such phasing of withdrawals of subsidised services might incur additional costs due to the extended time of operation of such contracts beyond the current expiry date of 31 March in any given year, and the contingency fund referred to above would accommodate these costs.

5. Recommendations

The Cabinet Member for Environment, Highways and Waste is recommended:

- (1) To approve the processes outlined above to prioritise the support of bus services in the event of a commercial withdrawal by an operator, or Contractual Notice being given on a subsidised bus service, or a reduction in funding availability;**
- (2) To create a contingency of £50k from the existing supported bus budget to cover interim periods when KCC is supporting additional services.**

Contact Officers:

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Bus Transport Select Committee

Hearing 1

Tuesday 27 September 2016

Witness Guide for Members

Below are suggested themes and questions. They have been provided in advance to the witnesses to allow them to prepare for the types of issues that Members may be interested to explore. All Members are welcome to ask these questions or pose additional ones to the witnesses via the Committee Chairman.

Themes and Questions

Matthew Balfour, Cabinet Member for Environment and Transport, Kent County Council

- Please introduce yourself and provide an outline of the roles and responsibilities that your post involves.
- What are the main responsibilities of KCC in relation to the delivery of bus transport in Kent?
- Please discuss KCC's recent achievements in promoting effective public transport in Kent.
- In your opinion, what challenges does KCC face in providing bus transport within Kent?
- What else can KCC do, if anything, to enable the bus network to become more accessible for Kent's residents through the bus services that KCC supports?
- In your view, what are the main benefits and challenges associated with the recent Bus Services Bill?
- Are there any other issues, with relevance to the review, that you wish to raise with the Committee?

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