

A Review of the Proposed Reductions to Public Transport Subsidies and Concessionary Fare Support

**by a Working Group of the Environment, Culture and
Communities Overview and Scrutiny Panel**



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1. Foreword by the Lead Member

- 1.1 The Environment, Culture and Communities Overview and Scrutiny Panel was invited to undertake this review by the Executive as it wished the implications of proposed reductions to the Public Transport and Concessionary Fares budget for 2012/13 to be explored fully before any decision was made to reduce funding in this area. My colleagues and I were pleased to form a working group to undertake this task as we recognised the importance of balancing budget savings with meeting the Council's responsibility to secure provision of public transport in the knowledge that it was a life line to many older and vulnerable residents who would be unable to access shops, medical services and social activities without it, to the detriment of their health and wellbeing.
- 1.2 Undertaking the review has heightened our knowledge of the public transport needs and habits of the Borough's residents and our understanding of the associated scheduling complexities. It has also highlighted public transport aspirations and the need to develop a bus strategy with policies to align with modern transport requirements, rather than the present system which reflects historical routes and usage.
- 1.3 I wish to express thanks to my fellow councillors who worked with me on this review and to all the officers who supported us throughout the process. I would also like to commend the findings and recommendations to the Executive Member for Planning and Transport, Councillor Marc Brunel-Walker.

Councillor Jim Finnie
Lead Working Group Member

2. Executive Summary

- 2.1 Bracknell Forest Council ('the Council'), like other local authorities, has a responsibility to provide reasonable access to transport for people living in the Borough. Not everyone has access to a car or is able to drive one, and over 1,500,000 journeys are made on buses in Bracknell Forest every year. Of these, around half are made by people who qualify for 'concessionary fares', on grounds of age or disability. Also, the Council pays 'public transport subsidies', in the form of Bus Service Operators grant, to keep some bus routes going, which would otherwise stop as they are not commercially viable. The Council has a statutory duty to deliver supported bus services, but the extent of this support is not defined.
- 2.2 At its meeting on 10 January 2012, the Environment, Culture and Communities Overview and Scrutiny ('O&S') Panel considered the key themes and priorities for the Environment, Culture and Communities Department as outlined in the Council's draft budget proposals for 2012/13, and agreed to the Executive's request to establish a Working Group to review the proposed reductions to public transport subsidies and concessionary fare support.
- 2.3 This report describes the work of the Working Group Between February and July 2012, and it is organised in the following sections:

Part 3 Gives background information in respect of Public Transport subsidies and Concessionary fares, and summarises how we set about our review.

Part 4 Summarises the information and evidence gathered by the Working Group.

Part 5 Contains the conclusions we have reached following our review.

Part 6 Sets out our recommendations to the Council's Executive and to the Environment, Culture and Communities O&S Panel.

At the end of our report is a glossary of terms used and appendices containing detailed supporting information.

- 2.4 Members of the Working Group hope that this report will be well received and we look forward to receiving responses to its recommendations.

- 2.5 The Working Group comprised:

Councillor Finnie (Lead Member)
Councillor Brossard
Councillor Gbadebo
Councillor Leake

3. Background

3.1 Many people who live in Bracknell Forest travel by car and rarely use public transport. However, a significant number of residents use the buses, and for some it is a necessity for their daily lives. Because this is important, local authorities provide financial support in two ways:

- Subsidising bus operators to keep buses running on certain routes which are important transport routes for residents, but which would not be commercially viable for the operators.
- Reimbursing operators for 'concessionary fares' journeys. The Council has a legal responsibility to support the English National Concessionary Travel Scheme, which offers older people and those with certain disabilities free travel on local bus services throughout England.

The Council spent £0.87 million on these two forms of support in 2011/12.

3.2 The majority of bus routes in the Borough which are operated on a commercial basis (i.e. without any local authority subsidy to the bus company) are run by First Bus and are found in the south of the Borough. The commercial routes carry around 70% of all bus passengers in Bracknell Forest.

3.3 As the number of passengers using bus routes varies, so in turn the subsidy per passenger varies greatly. Estimates in May 2012 showed that the support cost varied from less than £0.20 to over £50 for each passenger.

3.4 In Bracknell Forest, reimbursement payments to bus companies for concessionary fares journeys are calculated through the Department for Transport's reimbursement methodology and calculator. The operator receives a set amount for each pass-holder who travels on each service, based on factors which include the average fare for that journey. Operators are paid a set amount each month which is reconciled against quarterly data returns.

3.5 The Council faced a very difficult budget round for the financial year 2012/13, with savings of £5m being required, throughout the Council. To continue to meet the challenges of balancing the Council's budget, a £200,000 economy from the Bus Contracts and Concessionary Fares budgets was put forward by the Executive for consultation. The Council's Executive had also given a clear steer that the Council should only provide financial support to services which contributed to town centre regeneration or economic development.

3.6 Early in 2012, the Council consulted with the public and other interested groups over the prospective reduction in subsidised bus services, and that a 'full year' economy on subsidies and concessionary fares of £200,000 should be achieved, as part of the Council's budget proposals. The consultation ran to the end of March 2012.

3.7 At the invitation of the Executive, the Environment, Culture & Communities O&S Panel decided to make an input to the consultation response, and formed a Working Group ('the Group') to progress this. At its first meeting on 29 February 2012, the Group was advised that the Local Transport Plan approved in March 2011 required the development of a Bus Strategy, to which the input of O&S was sought, in addition to the proposed 2012/13 budget reductions to

Public Transport and Concessionary Fares. At the time, it was agreed that the remit of this Group would consist of both aspects as they were linked. However, as the Group's work reached a natural break after responding to the budget consultation and the production of the Bus Strategy was postponed, it was decided to leave consideration of the Strategy to a future date.

- 3.8 The Group agreed that its first priority would be to consider and comment on the proposed budget reduction in order to inform the Executive's decision thereon. The remainder of the Group's role would be to concentrate on assisting with the development of the Bus Strategy from the initial stages. The aim was for the Strategy to be developed during 2012.
- 3.9 The key objectives of the review, and its scope were agreed at the outset by the Group, and are set out at Appendix 1. In the event, the Group decided to defer the meeting with representatives of the Bus companies until the Bus Strategy became available. The principal activity of the Group was to receive information from Council officers through reports and in discussions, and then to consider that information and reach conclusions on the Executive's proposals for public transport subsidies and concessionary fares, in the light of the results of a public consultation and a full Equalities Impact Assessment.

4. Investigation, Information Gathering and Analysis

Introductory Review Work

- 4.1 On 29 February 2012 the Working Group ('the Group') received an introductory briefing from the Council's Chief Officer: Planning and Transport and the Principal Engineer in respect of Public Transport and Concessionary Fares which outlined the current bus network in the Borough, commercial and contracted services, subsidised travel and concessionary fares, changes to the bus network and consultation in respect of proposed reductions to existing services. Maps showing all bus routes and highlighting which ones were commercial, supported or partially supported were circulated at the meeting.
- 4.2 The map depicting all key bus routes in Bracknell Forest showed that a concentration lay in Bracknell town centre from where they flowed to the north and south. In 2010/11, over 1.7m bus journeys had been made, of which 44.7% had been concessionary fares journeys on subsidised routes made by mainly vulnerable passengers.
- 4.3 Another map identified commercial services, the majority of which were in the south of the Borough where residential development was more dense and car ownership was lower. These routes linked the town centre with the Blackwater Valley. The north of the Borough featured lower residential density and higher car ownership. Some bus routes were cross-boundary for which the Council received subsidies from neighbouring local authorities to operate services.
- 4.4 Transport concessions consisting of reimbursement of bus operators to cover costs such as fuel related to supported and partially supported bus routes which were shown on Maps 3 and 4, respectively. The partially supported services involved the Council supplementing commercial routes by subsidising additional service to offer journeys on weekday evenings and during weekends.
- 4.5 Services were interlinked and one bus could be timetabled to serve several different routes, particularly outside peak travel times. The main three providers in the Borough were First Bus, Thames Travel and Courtney Coaches. Under a 'package' deal featuring complex inter-bus scheduling, Thames Travel operated the majority of subsidised services for a set annual amount. Although this approach enabled economies to be achieved, it was more difficult to reduce services under these circumstances owing to the complexities. Remaining routes were operated on a 'de minimis' contract basis by the other operators. Commercial contracts were not subsidised. There was no regulation of operators' choice of bus routes.
- 4.6 The Council has a legal responsibility to support the English National Concessionary Travel Scheme, which offers older people and those with certain disabilities free travel on local bus services throughout England. The statutory minimum requires that all English pass holders have free travel on services from 09:30 – 23:00 weekdays and all day Saturday, Sunday and Bank Holidays. In Bracknell the scheme has been enhanced beyond the minimum to allow travel at any time to all those eligible for the national concessionary fare scheme. The Council planned to spend a total of some £870,000 on local bus contracts in 2011/12, which comprised 'non-ring-fenced' Government grant for community transport (£131,412), contributions from neighbouring authorities for cross-boundary services (£59,237) and developer contributions through Section

106 contributions* (£301,659). The Council's overall budget for public transport was approximately £1m. Arrangements for reimbursement of funds due to operators was the Council's responsibility and involved complex calculations, which were reconciled against travel data from operators on a quarterly basis. Government funding was not based on the number of trips and, in the first instance, the amount paid to operators related directly to how many concessionary fares passengers were carried with greater use resulting in increased cost.

- 4.7 In 2010/11 over 1,706,600 passenger journeys were made on buses within Bracknell Forest, of which 762,782 were concessionary fares journeys, representing 44.7% of the total and a cost of £800k in subsidies.
- 4.8 Proposals to reduce subsidised bus services consisted of ceasing or reducing the frequency of a number of under-used services. The practicality of implementing some of the proposals was subject to confirmation by the current operator and the details remained to be developed. The revised network would continue to cover most of the streets currently served, with the exception of the Church Road/Terrace Road North area of Binfield, although with reduced frequency. The proposals were subject to a consultation exercise concluding at the end of March 2012. The views of vulnerable groups were sought in particular and the proposals would be shared with bodies such as the Over 50's Forum and Access Advisory Panel as part of the consultation, the outcomes of which would be analysed and form part of a report to the Executive for decision in April.
- 4.9 The following points arose from ensuing questions and discussion:
- a) Local factors applied to the level of subsidy reimbursed to operators and the Council sought to assist operators where possible.
 - b) The Council's concessionary fare data was subject to audit.
 - c) Subsidies were based on the number of passengers and not the distance of journey travelled. In cross-boundary journeys, reimbursement was paid by the local authority of the area in which the bus was boarded, irrespective of whether the passenger lived in the Borough.
 - d) The bus scheme in Reading operated differently from that in Bracknell Forest and smartcard compatibility was a factor in devising schemes.
 - e) As at 21 February, 206 consultation responses had been received via the Council's website raising concerns. The majority of responders had been older people. Completed and returned questionnaires were yet to be analysed. Further questionnaires had been circulated to relevant groups and those requesting them, including Town and Parish councils.
 - f) The developer contributions of £301,659 to concessionary fares received during 2011/12 would be spent by the year end. Although it was difficult to predict the level of such funding available in future years, an element was

* Contributions sought by local authorities from developers under S106 of the Town and Country Planning Act 1990, as amended, towards the costs of providing community and social infrastructure, the need for which has arisen as a result of a new development taking place.

expected in most years. Sustainable travel plans were sought in relation to new residential developments.

- g) In Bracknell Forest the concessionary fare scheme was extended beyond the statutory minimum in order to offer a good service. Whether or not to reimburse journeys undertaken during peak hours could impact on commercial services and was a factor to be taken account when designing the Bus Strategy.
- h) It was estimated that bus capacity utilisation was generally 60%. The majority of routes overlapped and required two buses to serve them at peak times.
- i) It was thought that operators collected and held much travel and passenger data which would be useful in informing the preparation of the Bus Strategy. The criteria which operators applied in determining routes and frequency of journeys would also assist. Demographics and demand were thought to be relevant factors.
- j) Where new residential development was concerned, it was suggested that the Bus Strategy should identify the most favourable combination of car and bus use. It was acknowledged that school travel should also be addressed in the Strategy.
- k) The Group agreed that, owing to funding constraints, the Bus Strategy should target funding towards meeting the Council's priorities.
- l) Although savings could be achieved by reducing the frequency of journeys, route operations, such as the number of buses required, was a factor which needed to be taken into account.
- m) Residents had expressed the view that there was an insufficient bus service from the outer areas to facilities such as the sports centre, cinema and South Hill Park. However, it was felt that there was insufficient demand to operate dedicated services to entertainment facilities. Brants Bridge health centre could possibly attract sufficient journeys to warrant a service.
- n) The Group welcomed the 'clean sheet' approach to developing the Bus Strategy as it would enable support needs to be established and the relevance of historical routes to be reviewed.
- o) The need to facilitate bus use by young people was highlighted.
- p) Negotiations were held with neighbouring authorities when contracts were renewed. Cross-boundary reimbursement was normally based on the pro rata number of passengers.
- q) The proposed reduction of £200k in subsidies emerged as a 2012/13 budget saving target, the amount was based on a 25% decrease. Attention needed to be given to providing the best service coverage within the reduced amount available. Providing value for money, supporting town centre regeneration, contributing to economic development and not providing uneconomic services had been identified as priorities.

- r) The reduction of 20% in Government grant to operators was likely to have an impact on bus fares, and possibly services also. Bus fares were self-regulated by competition amongst providers.

Review of Budgets for Bus Concessionary Fares Payments and Bus Services

4.10 On 14 March 2012, the Working Group considered a background note prepared by the Chief Officer: Planning and Transport which provided further detail in respect of the rationale behind the proposed budget reductions to public transport and concessionary fares. The note set out the components of the 2011/12 budget line totalling £1,367,332 and suggested a potential package of economies to achieve the proposed reduction of £200,000 together with a second alternative package. The Chief Officer advised that the packages were not firm recommendations for service reductions but represented the type of services which could be reduced with a view to meeting the savings target and as a basis for the related public consultation. Therefore there was flexibility for identifying alternative proposals should the Group so choose.

4.11 The following points arose from ensuing questions and discussion:

- a) Some Members expressed a view that the Executive's steer that bus services should only be subsidised where they supported town centre regeneration or economic development was narrow, prescriptive and to the detriment of serving the wider population of the Borough. In response, the Chief Officer advised that this was a strategic priority reflecting the need to meet the level of bus services stipulated in the planning permission relating to the town centre redevelopment and to promote regeneration. The cost per passenger trip, contract termination dates and the opportunity of reductions in terms of whole bus loadings were also significant factors to be taken in to account.
- b) The need to review subsidised bus services, particularly when the town centre was redeveloped, was highlighted. The majority of current services travelled to and around the town centre and it was anticipated that redevelopment would lead to improved bus services as a result of increased demand.
- c) Bus operators confirmed the officers' view that 60% of passengers were concessionary travellers such as elderly people and school children. 96% of people qualifying for subsidised travel were elderly and / or disabled. It was anticipated that these vulnerable groups would be most affected by the proposed service reductions and would therefore respond to the related consultation.
- d) Although it was anticipated that the proposed service reductions could impact on demand for community transport, this could not be quantified at present as full data was not available. The Council's support to community transport would also be reduced in respect of longer excursion trips. Developing the Bus Strategy would provide the opportunity to identify priorities and explore the implications for passengers and other service providers.
- e) The total proposed reduction of £200,000 involved the two separate budget heads of bus services support and concessionary fares payments, including a savings target of £87,000 in respect of the latter.

- f) A spreadsheet giving details of supported bus routes was explained to the Group, who noted an example given that all passengers travelling on route BFC 24 (Little Sandhurst) were undertaking concessionary journeys. Other journeys were only partly concessionary and none were viable on a purely commercial basis.
- g) Concessionary travellers were logged by bus drivers using bus machinery but not issued with a ticket.
- h) Services with the lowest percentages of concessionary fares were not necessarily the most commercial and bus operators' fees were partly concessionary fares and partly bus support.
- i) The total cost per bus service to Bracknell Forest per year comprised the bus support cost per year and the concessionary cost per year.
- j) Bus operators advised the Council of the amount of concessionary fare passengers and it reimbursed them accordingly. Although there was no actual evidence available to the Council to prove the number, checks and balances such as comparing numbers and trends with previous years' figures were possible.
- k) Members expressed a view that bus service 4C (Bracknell – Binfield – Maidenhead) could not be justified in terms of passenger numbers and cost per passenger (£52 per trip). Efforts were being made to ascertain the demographics of the geographical area served and it was assumed that the majority of passengers were over 65 years of age or disabled. The service would cease to operate without subsidy as it was not commercially viable.
- l) North to south travel connections in Berkshire were traditionally the weakest and a study undertaken approximately ten years earlier had sought to bridge this gap. It was presumed that demand for some bus routes travelling in these directions, such as 4C, had dwindled since.
- m) It was noted that the Royal Borough of Windsor and Maidenhead contributed to the cost of subsidising bus service 53, which served Bracknell and Wexham Park Hospital. The contract in respect of route 1 (Ascot – Windsor) was managed by the Royal Borough of Windsor & Maidenhead, to which Bracknell Forest Council contributed £15,000 annually.
- n) Whilst it was clear that some bus routes were not well used and would therefore be considered for service reductions, other variables needed to be applied to ascertain value for money in relation to others. Lack of data was an issue and it was not known whether under-used routes were the only transport option available to their passengers. One question which featured as part of the consultation survey enquired as to alternative means of travel and consultation responses together with the Equality Impact Assessment (EIA) would assist with identifying types of passenger and their travel alternatives. Future complaints and increased use of community transport would also be informative.

- o) Reducing or discontinuing individual bus services had not been costed and the anticipated collective saving to be achieved by pursuing the Option 1 proposal was £87,000. This involved halving the frequency of the 162 (Bracknell - Winkfield Row – Ascot High Street) and the 152 (Bracknell - Winkfield Row – Winkfield Village) routes and discontinuing the 151 (Bracknell – Binfield – Wokingham) route enabling the remaining services to be provided utilising one bus rather than two. Although the 152 was identified as not offering value for money, deleting the service altogether would have a negative impact on other services and was therefore not proposed. Although the 53/153 service between Binfield village and Bracknell town centre would remain under Option1, it was likely that the frequency would be reduced to enable a Bullbrook service to be provided. The route between The Parks and Bracknell town centre would discontinue when the Section 106 funding providing it was exhausted unless the service became commercially viable, which was unlikely. However, other routes included Broad Lane and could serve residents of The Parks.
- p) Following the possible discontinuation of the 151 service, Binfield residents wishing to travel to Wokingham would be able to do so utilising the 190 commercial service. Although the route would not be identical to that of the 151 service and would not include Church Lane or part of Terrace Road North, the frequency was greater. The Working Group sought route overlay maps of the two services for comparison purposes in order to identify affected areas.
- q) It was assumed that travellers on the subsidised evening services were young people.
- r) Option 2 involved:
- Cease running the 171 Bracknell Town (Crown Wood – Birch Hill – Hanworth – Great Hollands) (Monday - Saturday) evening services, and the 171/194 Sunday services (daytime up to 21.30).
 - Stop running the 153/154 early evening services (Warfield, Binfield and Bullbrook (Monday - Saturday).
 - Cease running the 598 Little Sandhurst Shopper (Little Sandhurst to The Meadows/Camberley) (One return journey, two days a week)
- s) Although Options 1 and 2 were expected to achieve the same level of savings, the advantage of pursuing Option 1 was that it was not expected to disadvantage any particular group of people whereas it was anticipated that Option 2 would have a greater adverse impact on those groups protected by equalities legislation and the night time economy.
- t) Discussions with bus operators had not taken place at the time of the meeting. It was envisaged that operators would have views on the proposals and be able to provide further information. It would be helpful to establish whether the gaps in services resulting from the proposed budget reductions could be filled by commercial services. The contract relating to the Jennett's Park 108 bus service, which was funded by Section 106 contributions, would cease in October 2012 and the operator had expressed a wish to discuss the matter with the Council. Although the intention had been to introduce residents to bus travel from an early stage, the decreased rate of house building on the site had reduced the viability

of the service. However, other routes could possibly link with the area in the future.

- u) It was suggested that the Bus Strategy could consider areas of new growth and investment when planning bus services. The Community Infrastructure Levy could be utilised to fund bus routes to serve the new residential development sites in Binfield and Crowthorne initially with a view to achieving commercial viability subsequently as they were near to other urban sites. There was a balance to be achieved between car and public transport use and 95 % of journeys to Bracknell town centre were currently by car. Planning routes to serve the remaining 5% would assist with reducing congestion and providing for those without alternative means of transport.
- v) Some Members of the Group indicated that they supported Option 1 with the addition of discontinuing service 598 (Little Sandhurst Shopper). One Member indicated that he would reserve judgement until the route overlay maps comparing the 151 and 190 services in Binfield were available.

Reduction in Budget for Bus Subsidy and Concessionary Fares - Full Equality Impact Assessment Report

- 4.12 On 24 April 2012, the Chief Officer: Planning and Transport introduced the draft Full EIA Report which looked at the issues, considerations and conclusions in respect of the potential reduction in bus service provision in Bracknell Forest and described the outcome of the EIA and results of the associated consultation. The Working Group was invited to consider the report and submit views for inclusion in it prior to its submission to the Executive for determination.
- 4.13 Members noted that the consultation had taken place over a twelve week period during which 1,013 questionnaire responses had been received from 600 affected groups and individuals and that the data provided gave an insight into the profile and transport needs of local bus users. Officers had also attended meetings of the Older People's Forum, the Access Advisory Panel and the Federation of Community Groups to obtain views.
- 4.14 The Full EIA^{*} concluded that, based on the findings of the survey responses, the service reductions would have an impact on specific equality groups with protected characteristics[†]. The survey responses, and face to face meetings, pointed to particular impacts on specifically the age and disability related groups:
 - 50% of those responding to their ability status classified themselves as having health problems which were expected to last at least 12 months;
 - 57% of respondents were between 65 and 80+; as 63% of all trips on the subsidised network are concessions, this represents a significant proportion of the total trips on the network;

^{*} The Equalities Impact Assessment is available on the Council's website at [http://democratic.bracknell-forest.gov.uk/Published/C00000102/M00003772/AI00029103/\\$10bBusReportEqIAAppendix1.doc.pdf](http://democratic.bracknell-forest.gov.uk/Published/C00000102/M00003772/AI00029103/$10bBusReportEqIAAppendix1.doc.pdf)

[†] The protected characteristics, set in law are: age; disability; gender reassignment; pregnancy and maternity; race; religion or belief; gender; sexual orientation; marriage and civil partnerships.

- A greater proportion of older persons used the bus to access health services;
- Approximately 50% of those over 65 said that they would not know how they would travel, or would not travel at all, if bus services were discontinued.

4.15 The Group considered three options which would be drawn to the Executive's attention when it was deciding whether to implement bus service reductions. These were:

- not making reductions to any supported services (perhaps looking only to reduce that portion of the concessionary fares budget which was not spent on an annual basis);
- only deleting those services or parts of services where it could be demonstrated that no harm would result, where an alternative was available, or where the cost of such service per passenger was so high that alternative modes could be sought to help compensate for that loss; or,
- develop a future Bus Strategy in partnership with the community and providers which, based on whatever bus subsidy budget remained, provided for the minimum level of service currently provided.

4.16 Although it was not possible to determine what proportion of the concessionary fares budget would be spent until later in the year as this depended on the level of travel undertaken, the amount could be predicted based on the amount spent in previous years and it was thought that a sum of £130,000 would be unspent in the current year as fewer people had travelled on buses than anticipated and could be identified as a budget saving without impacting on supported services. In this event, any increase in costs would represent a budget pressure.

4.17 The Group considered a map depicting route overlays of the 151 bus service (Bracknell – Binfield – Wokingham) and the 190 commercial service for comparative purposes in order to identify the areas affected in the event that the 151 service was discontinued. Some concern was expressed that discontinuation of the service would leave Binfield village without a bus service and that the GP surgery and elderly residents of Binfield House and Haddenhurst Court would be without nearby transport as a result. Although the redevelopment of the Binfield Nursery site was not expected to generate sufficient demand for an additional bus service, it could increase the viability of existing routes. There would also be an adverse impact on children travelling to St Crispin's and Embrook Schools.

The following points arose from related questions and discussion:

- a) There had been a greater number of postal than on-line responses.
- b) Although the consultation response rate equated to only 1% of the Borough's population, as 95% of residents were car users and others used commercial bus services, this could be construed as a favourable 20% response rate.

- c) The qualifying age for the e-card would be increased incrementally from 60 to 65 years. However, as many users of supported bus services were 65 years and over the impact of this would be negligible.
- d) Regarding the consultation results indicating the percentage of people who would not travel in the event of subsidised bus services being reduced or discontinued, a Member queried whether this should be interpreted as would not, or could not travel as there was a significant difference between the two. It was felt that where the percentage of people who would travel by car as an alternative did not increase then this should be interpreted that some people would have no other means of transport and be unable to travel. The Chief Officer agreed to include in his report to the Executive that there was some doubt over this point.
- e) Reducing concessionary services could have funding implications for Adult Social Care transport and generate further grant applications from the voluntary transport sector.
- f) It was not possible to reduce the 194 bus service as it was not a supported route. Although the Group had previously favoured discontinuing the 598 service (Little Sandhurst Shopper), which consisted entirely of concessionary travel, consultation responses indicated that it was valued by local residents for shopping trips. Therefore there was a possibility that the 598 service could be commercially viable.

4.18 The Group noted that consultation responses, especially those from the elderly, disadvantaged and vulnerable groups, had indicated that they would be disproportionately affected by the proposed reductions in supported bus services, which were essential to their daily life enabling them to access key facilities. Many felt that service reductions would leave them without any other option for travel, possibly leading to social isolation and having a negative impact on health, quality of life and well being.

4.19 In conclusion, the Group accepted the report, supported the concept of options for lower impact budget reductions or not reducing supported bus services and considered that the saving of £130,000 could be achieved without affecting the current level of service provision. This would avoid disproportionately affecting vulnerable groups.

4.20 The Group's views and recommendations on the Executive's budget reduction proposals were sent on 27 April 2012, and are at Appendix 3. These views were reported to the Executive at its meeting on 22 May 2012, and the Executive's decision was consistent with the Group's recommendations (see paragraph 4.29 below).

Bracknell Forest Bus Strategy

4.21 The Working Group noted that the Environment, Culture and Communities Department possessed limited resources and direction concerning the preparation of the Bus Strategy as the current bus network was based on historical routes in the absence of any specific policy. Proposed developments sites; passenger information and data; the balance between commercial and contracted bus services; and the viability, profitability, quality, frequency and integration of services were all factors to be taken into consideration when developing the Bus Strategy. Officers had met representatives of the operators

of First Bus, Thames Travel and Courtney Coaches earlier in the day of the meeting to obtain their views on current and future bus services.

4.22 The Chief Officer: Planning and Transport advised that the majority of existing bus contracts expired on 31 March 2013 and in order to have an agreed Bus Strategy in place in time to inform the award of new contracts from 1 April 2013, it would be necessary for a draft Strategy to be developed by the second week of September 2012 owing to the preparation lead in time which included discussions with bus operators and a public consultation. As this timeframe was insufficient to allow for the in-depth work required to develop the Bus Strategy from its beginnings, which was an exercise previously favoured by the Group and officers to establish priorities and principles, Members were invited to indicate whether this approach remained their preference or whether consultation on existing routes would suffice. Bus operators had felt that they would be able to add value if consulted on an indicative Bus Strategy addressing priorities around the routes, frequency, quality and timings of bus services. As an alternative, emergency extensions to existing contracts for six or twelve months were possible to enable a robust Bus Strategy to be fully developed as a basis for the subsequent award of three to five year contracts. This would provide an opportunity to make contracts co-terminous without increased expenditure, unless they were de-minimis.

4.23 The following points arose from the ensuing discussion:

- a) It was possible that the more recent housing development in the Borough was not served by historic bus routes rendering bus services inaccessible to some residents. Future new development would influence the pattern and viability of bus services. The Council would have more control over the choice of its own contractors' routes than those of commercial operators.
- b) Issues associated with the proposed Bus Strategy included the type and length of contract, the extent of services sought by passengers, the amount of grant and subsidy available, concessionary fare reimbursement and the impact of bus use on the need for community transport. The first principles of the Strategy would be developed utilising a 'clean sheet' approach to ascertain the type of network required to best serve the outlying areas of the Borough in addition to the town centre as transport, including evening travel, from outlying areas to access Bracknell town centre and sports, leisure and youth facilities was identified as a priority.
- c) Section 106 funding arrangements would continue unchanged. Although it would not be possible to pool contributions from smaller developments to fund bus services, larger developments would generate sufficient contributions for this purpose to serve the development. It would be possible to spend Community Infrastructure Levy funds in respect of infrastructure improvements and maintenance in the future when the associated scheme had been agreed by the Council.
- d) Obtaining passenger data from bus operators was proving to be difficult owing to their collection of embarking but not disembarking (possibly in a different local authority area) information, competition and commercial interests. For this reason, officers would meet representatives of bus operators separately to facilitate open discussion and information sharing. It was envisaged that such discussion would occur after September.

Surveys undertaken by the Council would inform passengers' travel requirements.

- e) The proposed bus gate providing a link to Great Hollands would be operational by the time developer contributions utilised to operate bus route 108 serving the Jennett's Park development ceased in October 2012. Although a commercial operator was keen to continue providing the service after that time, the Council would need to bridge a funding gap of approximately £200k between the existing concessionary fares payments and the new commercial contract. The Council was reluctant for a break in this service to occur at this stage as more houses were to be constructed and a school was to be opened which could generate an ongoing demand for viable public transport. In the absence of funding to bridge the gap, Section 106 contributions relating to the Wickery Copse development could be utilised for this purpose although a robust funding solution needed to be identified in the longer term. Reducing the frequency of the service was one option towards bridging the funding gap. It was suggested that bus operators were considering increasing fares in 2013 as they found it difficult to operate in Bracknell Forest, an area with high car ownership. However, new housing developments could increase demand.
- f) The Bus Strategy would consider connections to other towns and mainline railway stations in the interests of wider transport options including rail. Previous aspirations to introduce a park-and-ride system to serve the wider Blackwater Valley area and a bus service to transport local airport workers to Heathrow Airport had not come to fruition owing to lack of demand and practicality.

4.24 With regard to financial issues, the Working Group indicated that, whilst it had supported a reduction in a surplus concessionary fares budget allocation to meet a savings target in the 2012/13 budget, it did not support any further savings in 2013/14, particularly as alternative reductions could be more readily identified. Members felt that any further reductions would disadvantage many vulnerable people and that the concessionary fares budget should be protected. Also, service reductions might dissuade bus operators from pursuing new contracts and disadvantage partners such as Bracknell Regeneration Partnership, retailers and neighbouring local authorities. A view was expressed that the Environment, Culture and Communities Department was in a position to meet its 2013/14 savings target without further reducing the concessionary fares budget.

4.25 As there was insufficient time before 1 April 2013 to undertake a full review and EIA to inform the development of the Bus Strategy, the Working Group favoured awarding emergency 12 month extensions to existing contracts to enable a robust Bus Strategy to be fully developed in the meantime as a basis for the subsequent award of three to five year contracts. It was felt that the bus operators would be supportive of this move and welcome early discussions with a view to maximising route and service planning opportunities. It was important to establish operators' priorities and whether there were any routes they considered to be sacrosanct e.g. a service to a local hospital, although the Council would seek flexibility in this area. It was necessary to determine how best to integrate routes to achieve efficiencies and economies. Certainty, unknown costs and competition were issues which required careful consideration which extending contracts would allow.

4.26 The Chief Officer would prepare a project initiation report including terms of reference, timetable, issues, resources, demographics and GIS mapping information for consideration by the Corporate Management Team in mid September and by the Environment, Culture and Communities O&S Panel at its meeting in October with a view to agreeing a Bus Strategy by October 2013 and preparing refreshed contracts consistent with the Strategy to take effect from 1 April 2014. The Working Group agreed that at its October meeting the Panel should consider whether to constitute a new group to focus on and inform the development of the Bus Strategy, which would be for at least a duration of five years from April 2014.

Meeting of the Council's Executive on 22 May 2012

4.27 At its meeting on 22 May 2012, the Council's Executive considered the views of the Group on the proposed reductions to Public Transport subsidies and Concessionary fares. The Minutes of the meeting record that the Executive resolved that, taking into consideration the appended Full EIA, the budget reduction would comprise:

- Retain the existing public transport subsidy budget but reduce the overall available concessionary fares budget by £130,000. This was expected to generate total annual savings of £130,000;
- Only remove those services where it can be demonstrated that no harm would result, where a commercial alternative is available, or where the cost of the existing service per passenger is excessively high and unjustified (i.e. the 4C service which only carried 124 passenger trips per year at a cost of over £52 per trip).

The Executive also noted that any budget reduction relating to bus contracts would be partially implemented in 2012/13 due to the nature of the existing contractual arrangements with bus operators, and that agreed budget reductions would come in full starting in 2013/14, informed also by the emerging Bracknell Forest Bus Strategy.

5. Conclusions

From its investigations, the Working Group (the Group) has drawn the following conclusions.

- 5.1 The Group has achieved its initial objective of contributing views on the proposed budget reductions in the lead-up to the decision by the Council's Executive. The Group might usefully re-form in due course to contribute to the development of the draft Bus Strategy for the Borough.
- 5.2 Our views on the proposed reductions in the financial support for bus services were reported to the Executive (at Appendix 3 to the report presented to the Executive at its meeting on 22 May), and reproduced at Appendix 3 to this report.
- 5.3 The Council makes a substantial investment from public funds into local bus services, for the benefit of the travelling public. In our view, the value of this to the community is under recognised.
- 5.4 Whilst the Group can understand that the need to achieve financial savings has been the main driver to date, it will be important to ensure that the forthcoming Bus Strategy does not detract from the aims of the Council's Older People's Strategy, which includes the following statements under the theme of 'Getting Out And About':

Issues for older people

Personal mobility and the means to travel are central to enabling people to participate in society, remain active, and maintain their independence. It is also crucial for them to be able to access services such as shops, leisure amenities, GP practices and hospitals which support their long-term health. However, as people get older their ability to drive or to get about physically can grow more limited. This is particularly relevant in our high car ownership area where 85% of households have a vehicle and our current transport system reflects current, rather than future, needs resulting in a low level of resident's satisfaction with public transport provision.

Our vision

- *Enjoying access to local and affordable public transport, which has routes to shops, activity centres and medical facilities.*
- *Accessing easily appropriate transportation to hospital where this is required.*

In this context we also draw attention to the passage from the Equalities Impact Assessment reported to the Executive:

Nationally the proportion of people aged 60+ who use a local bus at least once a week increased from 28% in 2005 to 40% in 2010. Over the same period the proportion of people in this age group who said they use a bus less than once a year or never fell from 46% to 32%.

- 5.5 The Group considers that the Council is at risk of over compensating bus companies for concessionary fare passengers. The payments are based on information provided by bus companies and there is no actual evidence available to the Council to prove the number. Some assurance is taken from

checks and balances such as comparing numbers and trends with previous years' figures, but we consider this falls short of the normal standards in local government for vouching payments.

- 5.6 The Group concurs with the Executive decision to curtail 'excessively high and unjustified' subsidies to bus operators, and considers that an indicative maximum cost of supporting each passenger journey should be adopted, substantially less than the upper amount of some £52 currently paid.
- 5.7 At the outset of this review, the Group set itself three main questions to address, and the conclusions we have reached on those are as follows:

Will the proposed reductions to subsidised bus services result in inadequate bus service coverage?

We consider that the reductions to the concessionary fares budget should not have any adverse impact, since the budget has been substantially under-spent in recent times. The remaining reductions, in terms of withdrawal of subsidy to certain routes will impact on the frequency of some services, but this is not expected to affect a large number of people. Furthermore, the reductions will be confined to those bus routes where the subsidy per passenger journey is unjustifiably high, representing unacceptably poor value for money.

Will vulnerable groups be adversely affected by the proposed reductions to subsidised bus services?

The Working Group is satisfied that the interests of vulnerable groups have been properly assessed and they will not be materially disadvantaged by the changes in 2012/13. However, looking to the future, the Group is uneasy with the Executive's 'steer' that bus services should only be subsidised where they support town centre regeneration or economic development. We observe that there are currently no measurements of the achievement of that. Furthermore, we consider this policy is unduly narrow, prescriptive and may be detrimental to serving the wider population of the Borough, for example in terms of green travel and sustainability, and helping the less-advantaged sections of our community.

Will the reduced subsidised bus services meet the aim of contributing to Bracknell town centre regeneration or economic development?

The changes determined to date do not, in our view, have any impact on the town centre regeneration or on economic development. A fuller view might be achievable once the draft Bus Strategy becomes available.

6. Recommendations

The Working Group is pleased to note that its recommendations on the proposed budget reductions (Appendix 3) have already been accepted by the Executive.

It is further recommended to the Executive that:-

- 6.1 Bus companies receiving financial support from the Council to operate bus routes should be required to publicise in their buses the existence of that support.
- 6.2 The forthcoming Bus Strategy should not be developed in isolation. In particular:
 - it must form a cohesive part of a public transport strategy for Bracknell Forest, which in turn must form part of the overall Local Transport Plan;
 - it should be demonstrably consistent with, and supportive of the Council's strategies to support disabled, disadvantaged and older people, relating to public transport availability.
- 6.3 The Council's Older People Strategy should recognise the contribution of public transport subsidies and concessionary fares towards helping people 'Getting Out And About'.
- 6.4 The Executive's policy stance that bus services should only be subsidised where they support town centre regeneration or economic development is too narrow and should be reconsidered. If the policy is retained, the actual contribution made towards those objectives by public transport subsidies and concessionary fares should be measured.
- 6.5 Consideration be given to improving the verification of amounts claimed by bus companies for concessionary fares.
- 6.6 For the purposes of determining which bus routes require subsidising, an upper financial limit should be set by the Executive for the subsidy for supporting each passenger journey. This would replace the description of 'excessively high and unjustified' which was adopted by the Executive, and which leaves too much to the judgement of officers.

It is recommended to the Environment, Culture and Communities Overview and Scrutiny Panel that:-

- 6.7 The Working Group has completed its work and should be stood down.
- 6.8 The Panel, either directly or by re-convening the Working Group later in 2012/13, should make an input into and review the draft Bus Strategy.

7. Glossary

Community Infrastructure Levy	A levy that local authorities can choose to charge on new developments in their area to fund infrastructure.
EIA	Equalities Impact Assessment
O&S	Overview and Scrutiny
Section 106 funding	Contributions sought by local authorities from developers under Section 106 of the Town and Country Planning Act 1990, as amended, towards the costs of providing community and social infrastructure, the need for which has arisen as a result of a new development taking place.
'The Group'	The Working Group of the Environment, Culture and Communities Overview and Scrutiny Panel.

BRACKNELL FOREST COUNCIL

**ENVIRONMENT, CULTURE AND COMMUNITIES OVERVIEW AND SCRUTINY PANEL
10 JANUARY 2012**

WORK PROGRAMME 2011 – 2012

Terms of Reference for:

**PUBLIC TRANSPORT AND CONCESSIONARY FARES OVERVIEW AND SCRUTINY
WORKING GROUP**

Purpose of this Working Group / Anticipated Value of its Work:

1.	To review the proposed 2012/13 budget reductions of £200,000 to Public Transport subsidies and Concessionary Fare support.
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Key Objectives:

1.	To gain an understanding of local bus services and the current Public Transport subsidies and Concessionary Fare support scheme.
2.	To review the proposed 2012/13 budget reductions to subsidised bus services in the light of the related public consultation responses and associated equalities impact assessment.
3.	To establish the impact of the proposed reductions in subsidies and fare support and express views to the Executive on the extent to which they should be pursued.

Scope of the Work:

1.	The extent and type of bus services that are operated in the Borough.
2.	The approach the Council takes to contracting bus services and managing concessionary fares.
3.	The data and criteria applied by bus operators in determining routes and frequency of journeys.
4.	Public consultation responses to the proposed reductions to subsidised bus services.
5.	Equalities impact assessment of the proposed reductions to subsidised bus services.
6.	The implications of the proposed reductions to subsidised bus services.

Not Included in the Scope:

Other budget reductions and aspects of public transport.
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Terms of Reference Prepared by:	Andrea Carr
Terms of Reference Agreed by:	Public Transport and Concessionary Fares O&S Working Group
Working Group Structure:	Councillors Brossard, Finnie, Gbadebo & Leake
Working Group Lead Member:	Councillor Finnie

Portfolio Holder:

Councillor Brunel-Walker

Departmental Link Officer:

Bev Hindle, Chief Officer: Planning & Transport

BACKGROUND

As part of the consultation in respect of the draft 2012/13 budget proposals, the Environment, Culture and Communities Overview and Scrutiny Panel was invited by the Executive to review the proposed reductions of £200,000 to subsidised bus services. The Executive had given a clear steer that the Council should only provide financial support to services which contribute to town centre regeneration or economic development. Accordingly, the Panel established this Working Group to undertake the review.

SPECIFIC QUESTIONS FOR THE WORKING GROUP TO ADDRESS:

1. Will the proposed reductions to subsidised bus services result in inadequate bus service coverage?
2. Will vulnerable groups be adversely affected by the proposed reductions to subsidised bus services?
3. Will the reduced subsidised bus services meet the aim of contributing to town centre regeneration or economic development?

INFORMATION GATHERING:

Witnesses to be invited

Name	Organisation / Position	Reason for Inviting
Bev Hindle/ Sue Cuthbert/	BFC, Chief Officer: Planning & Transport BFC, Principal Engineer (Transport)	To explain the existing Public Transport Subsidies and Concessionary Fare Support scheme, the implications of the proposed reductions and the response to the public consultation.
Abby Thomas	BFC, Head of Community Engagement and Equalities	To advise on the production of the equalities impact assessment of the proposed budget reductions.

Site Visits

Location	Purpose of Visit
-	-

Key Documents / Background Data / Research

- | | |
|----|---|
| 1. | Draft 2012/13 Budget Proposals Report |
| 2. | The Council's Public Transport subsidies and Concessionary Fare support policy |
| 3. | The response to the public consultation on proposed reductions to subsidised bus services |
| 4. | The results of the equalities impact assessment of the proposed budget reductions |
| 5. | Public transport data |

TIMESCALE

Starting: February 2012

Ending: Summer 2012

OUTPUTS TO BE PRODUCED

- | | |
|----|---|
| 1. | Views in respect of the proposed reductions in Public Transport subsidies and Concessionary Fare support to be incorporated into the report to the Executive on 22 May 2012 to inform its decision thereon. |
|----|---|

REPORTING ARRANGEMENTS

Body	Date
Report progress to the Environment, Culture and Communities Overview and Scrutiny Panel.	2012

MONITORING / FEEDBACK ARRANGEMENTS

Body	Details	Date
The minutes of the meeting of the Executive held on 22 May 2012.	Minute extract	2012

APPENDIX 2

Supported Bus Services in Bracknell Forest

Service	Description	Operator	Funding
151	Bracknell – Binfield - Wokingham	Thames	Council/Contribution from neighbouring authorities
152	Bracknell – Winkfield	Thames	Council
53	Binfield - Bracknell - Maidenhead - Wexham Park Hospital	Thames	Council/Contribution from neighbouring authorities
153	Binfield - Bracknell - Warfield - Winkfield	Thames	Council/Section 106
162	Bracknell – Ascot High Street	Thames	Council
156	The Parks	Thames	Section 106
171/172	Town Services (evenings)	Courtney Coaches	Council/Section 106
194	Bracknell – The Meadows (evenings)	Courtney Coaches	Council
1	Ascot – Windsor	White Bus (on behalf of RBWM)	Contribute to RBWM
598	Little Sandhurst – Camberley	Yateley's	Council
108	Bracknell – Jennett's Park	Courtney Coaches	Section 106
199	Warfield Park Mobile Home Site	Courtney Coaches	Council
4c	Bracknell – Maidenhead (School Holidays)	Courtney Coaches	Council
154	Bracknell – Bullbrook	Thames	Council/Section 106

These views from the Working Group were presented to the Executive as an appendix to the Executive Report on 22 May 2012

Public Transport and Concessionary Fares Overview and Scrutiny Working Group

The Environment, Culture and Communities Overview and Scrutiny Panel established this Working Group to consider proposed budget reductions of £200,000 in relation to public transport subsidies and concessionary fare support as part of the 2012/13 budget proposals. It is likely that a reconstituted Working Group will also contribute towards the preparation of a bus strategy for the Borough in due course.

The Working Group has met on three occasions. The first meeting focused on the extent and operation of the public transport and concessionary fares scheme. At its second meeting, the Working Group considered a report which provided further detail in respect of the rationale behind the proposed budget reductions. The report also suggested two alternative potential packages of reductions to achieve the proposed budget reduction as a basis for consultation, one of which was largely supported by the Working Group.

The draft Full Equality Impact Assessment Report concerning the proposed reduction, which would form the basis of a report to the Executive, was considered by the Working Group at its third meeting. The Working Group discussed the Equalities Impact report and noted that consultation responses – especially from the elderly, disadvantaged and vulnerable groups - had indicated that they would be disproportionately affected by the proposed reductions in supported bus services, which were essential to their daily life. Many felt that service reductions would leave them without any other option for travel, possibly leading to social isolation and having a negative impact on health and well being. The Working Group supported the concept of options for lower impact budget reductions or not reducing supported bus services. The reason for this is that £130,000 of the budget for concessionary fares has not been spent, as fewer people have travelled on buses than anticipated. Therefore, the current service level provision would be unaffected by a budget reduction of £130,000.

In conclusion, the Working Group accepted the report, but considered that the savings identified in the preceding paragraph could be achieved without affecting the current level of service provision. This would avoid disproportionately affecting vulnerable groups.

For further information on the work of Overview and Scrutiny in Bracknell Forest, please visit our website on <http://www.bracknell-forest.gov.uk/scrutiny> or contact us at:

Overview and Scrutiny, Chief Executive's Office, Bracknell Forest Council, Easthampstead House, Town Square, Bracknell, Berkshire, RG12 1AQ,
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or telephone the O&S Officer team on 01344 352283

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