

Report of the Cabinet Member
Community, Public Health, Transportation and Environmental
Services

I have been asked to report by Councillor Atkinson, as follows:

“Will the Cabinet member for Transport report on whether to undertake:

- *To explore how the opportunities presented in the Bus Services Act 2017 can support the Devon Local Transport plan published in 2011 for the period to 2026 and*
- *To review the County Council’s approach to supporting non-commercial local bus services and community transport especially in view of the proposed changes to the law on the use of Community Transport Permits for community transport operators and*
- *To consider whether Devon County Council should adopt a local Advanced quality partnership scheme and Enhanced partnership plans and schemes as permitted under the Act*

and if so when this review will be timetabled.”

Bus Services Act 2017

We actively followed the progress into law of the Bus Services Act 2017, including responding to consultations and attending meetings and seminars together with Department for Transport officials. DfT have also visited Devon on fact-finding tours.

The basic framework for the provision of local bus services is a combination of the commercial freedom given to bus companies supplemented by local authority powers to buy in additional services through subsidy. The system in Devon works well, with approximately 80% of bus services run ‘commercially in terms of the number of services and routes. Although geographically the picture is quite different, with commercial services being concentrated mainly in our larger urban areas and along main corridors. Large swathes of the County and minor routes everywhere rely 100% on our subsidy. These subsidised services are mostly put out to competitive tender. Competition for County contracts is active which helps ensure value for money.

The test of the specific options offered us by the 2017 Act is whether they offer ways of addressing issues which cannot be addressed in the existing way, or any other way. Bus patronage nationally has recently started to fall, even in London. The reasons for this fall are many and are unlikely to be straightforwardly due to governance arrangements. Age restrictions to the national bus pass scheme, changes in employment patterns, changes in shopping habits, including internet shopping and general austerity - all combine to discourage bus usage. Added to these factors are rising costs, reductions in some service frequencies and increases in fares. Reductions in local authority support mean that these shortfalls are less likely to be made up.

Community Transport

With regard to community transport permits, we have so far seen no requirement to review our policies on support for non-commercial transport. The bus network is unaffected by changes to community transport permits, except potentially in a few cases where community groups provide services to the general public - that is, Section 22 Community Buses as opposed to Section 19 services restricted to specific groups of people. From what we know so far of the impending legislative clarification, our Community Buses may be largely unaffected.

For the second category (Section 19 for restricted groups), our intention has been - and remains - to seek affordable and compliant ways of providing essential services for vulnerable people. Where there is no other option, the community sector has a future role to play, but the pattern and type of provision may change. The existence and scale of the community transport sector in Devon is very much due to the encouragement we have given them, and we continue to advise groups on their options. There will be no precipitate action to jeopardize services and we have invited individual discussions with each provider group before any changes are made. Our costs may increase, but, thanks to our sound management of transport costs across all modes of provision, we believe we have some scope to confront this.

Advanced or Enhanced Quality Partnership

Advanced or Enhanced Quality Partnership concepts do not offer any new bearing on these issues in Devon. The view that has been consistently expressed to Government is that the principal problem facing bus services in Devon is one of ongoing viability and funding - that is, commercial viability supplemented by a local authority with sufficient funding options.

Quality partnership schemes are largely concerned with service quality issues - infrastructure, vehicle standards, marketing, ticketing and information. They cannot be entered into without agreement and they do not compel bus companies to provide particular services, nor do they give the authority control over fares. (There is no way in law to compel a bus company to act against its overall commercial interests.) Partnerships have more relevance in situations where two or more commercial operators are operating services and there is a need for some consistency in matters such as acceptance of tickets, the structure of fares, information and the spacing of competing services. Partnerships are in effect a collaborative raising of standards to that of the best out of a number of providers.

Our ongoing direct discussions with our main commercial operator cover a range of issues on which we have affected or will soon be seeing some improvements, such as vehicle standards, real time passenger information and contactless payment. Where we do not achieve our preferred outcome - for example, on fare reductions or route revisions, neither an Advanced nor an Enhanced Quality Partnership would give us any significant additional scope.

Roger Croad

Cabinet Member for Community, Public Health, Transportation and Environmental Services