

BRIDGEND COUNTY BOROUGH COUNCIL

REPORT OF THE CORPORATE DIRECTOR – COMMUNITIES

18 SEPTEMBER 2018

REPORT TO CABINET

RATIONALISATION OF SUPPORTED BUS SERVICES 2018/2019

1. Purpose of Report.

- 1.1 To update cabinet on the impact of the subsidised bus reductions as identified in the cabinet report of 15 May 2018, and to propose that cabinet agree to a further consultation on a proposal to remove the remainder of bus subsidy as provided by the council for the financial year 2019/20 as part of the proposed savings within the council's Medium Term Financial Strategy (MTFS) for 2019-20 to 2022-23.

2. Connection to Corporate Improvement Objectives / Other Corporate Priorities.

- 2.1 The proposal links to the Corporate Improvement Plan 2016-20 (Reviewed 2017-18) Priority Three - Smarter use of resources with alignment to the MTFS.

3. Background.

- 3.1 Bridgend County Borough Council and Welsh Government support the provision of regional and local bus services by subsidising routes that are potentially not commercially viable. These services serve routes that enable residents who live along them to access employment, education, health care and social activities.
- 3.2 For the current financial year BCBC's core budget for supported bus services for 2018/19 is now £180,000. This is supplemented by a Welsh Government allocation provided to BCBC through the Bus Services Support Grant (BSSG) of £386,825 in 2018/19, of which a target amount of £85,224 should be spent on funding community transport operations in the county borough.
- 3.4 A grant application was submitted by Bridgend Community Transport to Bridgend County Borough Council on 09 July 2018 for the sum of £84,934.32, leaving a balance of £301,890.68 to be spent on core strategic bus network in Bridgend, as per the Welsh Government BSSG guidance notes.
- 3.5 The following table identifies the bus routes which formed part of the agreed budget reduction for 2018/19. It was agreed to use £50,000 of the additional funding raised through increasing the Council Tax by 4.5% (instead of the original 4.2% proposed) to continue subsidising three of the bus services shown at the top of the table (Service No. 51, 803 and 61) for the current financial year.
- 3.6 Thus the remaining six bus services shown in the table have not been subsidised since the 11 August 2018, following a three months' notice period.

<u>Service No.</u>	<u>Operator</u>	<u>Route</u>	<u>Fully Funded or *Partly Funded?</u>	<u>Comments/Implications</u>	<u>Type of Service</u>
51	EASYWAY	Bridgend to Oaklands Road, Daytime. (Monday to Saturday)	Fully Funded	Provides Access to Bridgend Library / Rec Centre. No alternative bus services, apart from accessing the main road (Park Street - X1, X2, X4 & 172 Services). However the distance is not excessive (0.2 miles).	Local
803	EASYWAY	Danygraig to Porthcawl, Daytime. (Monday to Saturday)	Fully Funded	Provides Access Portway Surgery Alternative bus services available (X2 and 172 Services) except for Danygraig residents, who will have no alternative bus service, apart from accessing the main road (Bridgend Road) which is quite a distance to travel (0.55 miles). This contract is mostly council funded and a small part is commercial. There is likelihood that if funding was removed, then it is possible that the commercial section of the route would not be commercially viable.	Local
61	PEYTON TRAVEL	Nottage to Porthcawl (Circular), Daytime. (Monday to Saturday)	Fully Funded	Provides Access to South Road Surgery and Portway Surgery. The contract has been retendered due to the 14-15 MTFS and new contractor took over in July 15. No alternative bus services for local residents in Nottage and Western Porthcawl. However, an alternative service is available on West Road and South Road (63B Service). However, this is quite a distance for some residents living to the west of Nottage and Porthcawl West (0.8 miles). The route of this service is planned to be extended to Newton Nottage Road, when a new surgery opens.	Local
Subsidy Discontinued Below Routes					
81	EASYWAY	Bridgend to Pen-y-Fai via Brackla & Coity Morning & Afternoon. (Monday to Friday)	*Partly Funded	Provides Access to Princess of Wales Hospital, as well as Quarella Road/Wildmill Residents. Commercially operated journeys in this timetable are available on this service, but only between 09:15 and 14:40 (Monday to Friday). Outside these times Penyfa will have the 67 Service (if retained). Other services available for Brackla (62, 64, 66 & 404 Services). However residents living on the Princess Way corridor will need to access Brackla triangle (0.82 miles). Coity has an alternative service (73 Service but this service is also under review).	Local
68/69	FIRST CYMRU	Bridgend to Cefn Glas, Early morning and Evening. (Monday to Saturday)	*Partly Funded	Provides access to Bridgend Town Centre No alternative bus services, apart from accessing the main road (Park Street - X1, X2, X4 & 172 Services). However, this is quite a distance for residents living in the northern part of Cefn Glas (0.78 miles). Commercially operated journeys are available on this service throughout the day.	Local
52	EASYWAY	Bridgend to Broadlands, Daytime. (Monday to Saturday)	Fully Funded	Provides Access to Bridgend Library / Rec Centre No alternative bus services for Broadlands Estate residents, apart from walking to the main road (Park Street) for an alternative service (X1, X2, X4 & 172 Services). However, this is quite a distance for some residents living in the Southern part of the Broadlands Estate (0.8 miles).	Local
63B	FIRST CYMRU	Bridgend to Porthcawl, Early morning and Evening Mon- Sat)	*Partly Funded	1) Serves areas of major planned population and employment growth. 2) Links to Princess of Wales Hospital, providing health care services. 3) Links key regional settlements. 4) Improves access to employment. 5) Serves areas of major planned population and employment growth. 6) Linking transport and regional hub in Bridgend for connectivity to the regional network. 7) Improves access to the regional shopping centre (McArthur Glen – Pines). 8) Links key regional settlements (Cardiff, Neath Port Talbot, Swansea & Vale of Glamorgan). 9) Enhance business case for the METRO. No alternative bus service. Commercially operated journeys are available on this service throughout the day.	Regional
62	FIRST CYMRU	Bridgend to Pencoed - 2 No. Evening Journey's - (Monday to Saturday)	*Partly Funded	Provides transport link for residents visiting the Princess of Wales Hospital, via Bridgend Town Centre. Alternative evening bus service from Pencoed Monument (404 Service). However, this is quite a distance for residents living in the western area over the level crossing of Pencoed (0.84 miles). Commercially operated journeys are available on this service throughout the day.	Local
73	EASYWAY	Pyle to Fforddygfraith, (Tue & Fri only)	Fully Funded	Provides access to Princess of Wales Hospital Alternative services available for Pyle residents (63, 63B, X1 & X4 Services), Cefn Cribbwr residents (63 & 63B Service) and Coity (81 Service, but this service is also under review). Fforddygfraith residents will have no alternative service, apart from accessing the main roads (Cefn Road 1.1 miles – Service No. 63/63B or Maesteg Road A4063 1.7 miles – Service No. 70 & 71).	Local

4. Current situation

4.1 Since the bus operators were notified of the services to be terminated under the MTFS agreed savings proposals for 2018/19, discussions have taken place between BCBC Officers and the bus operators on the 5th and 6th of June 2018 to discuss the decision and ways of moving forward after 11 August 2018, when the agreed bus service contracts would cease.

Subsequent to the discussions, the bus operators have registered applications to change bus services to the Office of the Traffic Commissioner, with the changes coming into effect from Monday 13 August 2018 and Monday 03 September 2018.

4.2 In the attached appendices, the revised timetables are provided which show the journeys being retained on a commercial basis by the bus operator and the journeys that are not deemed commercially viable and consequently being removed.

In summary the result of the subsidy removal has been remarkably positive with five out of the six subsidised routes being commercially retained and provided albeit with modifications or reductions in frequencies as detailed below. The only route that has been completely removed is the Pyle to Fforddygyfraith, Tuesday and Friday route.

- **Service No. 62** (Appendix 1 - Bridgend to Pencoed - Monday to Saturday)

Last journey departing from Pencoed will be at 17:20, this is a further reduction made by the bus operator. The last departure from Bridgend Bus Station will be 18:35 to Pencoed (the expected consequence of the reductions indicated that this could have been earlier at 16:53).

- **Service No. 63/63B** (Appendix 2 – Bridgend to Porthcawl – Monday to Saturday)

Part of service to be retained is the 06:12 from North Cornelly to Bridgend. However, this will operate on Monday to Friday only.

Additionally, the agreed reduction of the evening journeys will be retained, with just an alteration to the last inbound and outbound journeys which will operate on Friday and Saturday only.

Note for info: 63B Bridgend to Porthcawl (via Maudlam and Kenfig Pool):

Since the dialogue with the operators, First Cymru Buses Ltd have issued three months' notice to cancel this contract and returned the subsidy, in order to rebrand the 63 Service network, which consists of operating every 20 minutes, instead of every 15 minutes. The council is seeking an alternative bus operator to operate a similar route from Monday 05 November 2018.

This contract is currently funded through the Bus Services Support Grant (BSSG) from the Welsh Government.

- **Service No. 68/69** (Appendix 3 – (Bridgend to Cefn Glas – Monday to Saturday)

Service 68 - All but one of the evening services are to be removed, so the final journey from Bridgend Bus Station will depart at 19:00.

Service 69 – The 07:00 departure is to be retained and also all but two of the evening journeys are to be removed, with the final departure at 19:30.

- **Service No. 52** (Appendix 4 – Bridgend to Broadlands – Monday to Saturday)

This service was to be removed in its entirety. However, the operator has registered a service to provide six journeys Monday to Friday, reducing to five on a Saturday.

NB service will not operate via Bridgend 'Life Centre'.

- **Service No. 81** (Appendix 5 – Bridgend – Brackla (Princess Way) – Pen-y-Fai – Monday to Friday)

This service will continue to be operated by Easyway Minibus Hire Ltd on a commercial basis, but with a revised timetable and route from **Monday 03 September 2018**:

The 08:13 and 15:15 journeys from Pen-y-Fai to Bridgend, via Coity and Brackla will no longer be operated, as it is deemed not commercially viable by the bus operator (these journeys were funded by BCBC prior to the budget reductions).

The two other journeys previously funded by BCBC will be retained, with minor alternations to the departure times.

However, more notably, the timetable no longer includes Parc Prison or Coity (previously funded by BCBC).

- **Service No. 73** (Pyle to Bridgend via Fforddygyfraith on Tuesdays and Fridays)

This service no longer operates after Friday 10 August 2018, as it is not deemed commercially viable. The bus operator (Easyway) submitted a registration to the Office of the Traffic Commissioner to cancel the bus service.

- 4.3 The continuation of the selected bus services/journeys will be monitored by the bus operators over a period, and depending on passenger numbers, they may decide to retain, vary or terminate the service, as long as 56 days' notice has been provided to the Office of the Traffic Commissioner.

4.4 Future Implications

- 4.5 It is currently proposed that in order to meet savings targets in the 2019/20 MTFS to remove all remaining council funding for supported bus services in the county borough. In order to deliver such a saving it is proposed that a public consultation is desirable in order for the council to properly consider the implications arising from the removal of this funding.
- 4.6 The table below lists the remaining services that would potentially no longer be subsidised from the 2019/20 financial year.

Service No	Operator	Route	Impact Assessment July 17 (220)	18/19 Estimated Annual Cost (£)	18/19 Estimated Cumulative Cost (£)	Comments / Implications	Type of Service
67	FIRST CYMRU	Bridgend to Aberkenfig via Pen-y-Fai - (Monday to Saturday)	167	£ 18,720.00	£18,720.00	Provides Access to Sarn Surgery No alternative bus services for Aberkenfig & Pen-y-Fai residents to access Sarn Surgery. A through bus is available for Aberkenfig residents travelling between Bridgend and Maesteg (70/71 Service). Reduced service for Pen-y-Fai residents (between 09:15 and 14:40 Monday to Friday only)(Service 81). This contract is part council funded and commercial. There is a likelihood that if funding was removed then it is possible that the commercial section of the route would not be commercially viable	Local
37	EASYWAY	Maesteg Parc Estate, Daytime, (Monday to Saturday)	164	£ 28,750.80	£47,470.80	No alternative bus services for Maesteg Parc Estate residents, apart from accessing the main roads (Commercial Street). However, this is quite a distance for some residents living in Maesteg Parc (0.7miles).	Local
73	FIRST CYMRU	Bridgend to Blaengarw, Evenings (Monday to Saturday)	140	£ 26,616.72	£74,087.52	Provides Access to Princess of Wales Hospital Commercially operated journeys are available on this service, but at a reduced frequency.	Local
76	FIRST CYMRU	Bridgend to Bettws, Vale View Diversion (Monday to Saturday)	135	£ 3,120.00	£77,207.52	Provides Access to Sarn surgery and Princess of Wales hospital for Vale View residents Commercially operated journeys are available on this service. No alternative service for Vale View, Woodland Way and Highfield Place residents. Residents will need to access the main road (Sarn Hill - 0.25 miles).	Local
51	EASYWAY	Bridgend to Oaklands Road, Daytime, (Monday to Saturday)	125	£ 11,263.20	£88,470.72	Provides Access to Bridgend Library / Rec Centre. No alternative bus services, apart from accessing the main road (Park Street - X1, X2, X4 & 172 Services). However the distance is not excessive (0.2 miles).	Local
803	TRAVELFINAL	Danygraig to Porthcawl - (Monday to Saturday)	125	£ 26,520.00	£114,990.72	Provides Access Portway Surgery Alternative bus services available (X2 and 1 72 Services) except for Danygraig residents, who will have no alternative bus service, apart from accessing the main road (Bridgend Road) which is quite a distance to travel (0.55 miles). This contract is mostly council funded and a small part is commercial. There is likelihood that if funding was removed, then it is possible that the commercial section of the route would not be commercially viable.	Local
61	PEYTON TRAVEL	Nottage to Porthcawl (Circular) (Monday to Saturday)	120	£ 13,712.40	£128,703.12	Provides Access to South Road Surgery and Portway Surgery. The contract has been retendered due to the 14-15 MTFs and new contractor took over in July 15. No alternative bus services for local residents in Nottage and Western Porthcawl. However, an alternative service is available on West Road and South Road (63B Service). However, this is quite a distance for some residents living to the west of Nottage and Porthcawl West (0.8 miles). The route of this service is planned to be extended to Newton Nottage Road, when a new surgery opens.	Local
	Possible Indexation All Contracts			£5,000.00	£133,703.12	Indexation on all local bus service contracts, excluding deminimis contracts.	Local
16	EASYWAY	Bridgend to Blaengarw via Heol-y-Myndd and Braich-y-cymmer (Daytime Mon-Sat)	140	£47,121.36	£180,824.48	Route operates along major traffic corridor in the Garw valley. Connects with trains at Bridgend Railway Station for commuters (tackles congestion and encourages modal shift). Linking transport and regional hub in Bridgend for connectivity to the regional and national transport network. It sieves commuter traffic from going through Junction 36 of the M4. Improves access to the regional shopping centre (McArthur Glen – Pines), located at Junction 36 of the M4. Improves access to employment in an area of high deprivation. Links to Princess of Wales Hospital, providing health care services. Alternative bus services operate on the majority of this route, apart from Heol-y-Mynydd, Wigan Terrace and Braichycymmer. Also Quarella Road.	Regional

Table 1

4.7 Recent experiences following the removal of subsidies in the 2018/19 year have demonstrated that the removal of subsidies will not necessarily mean that all of the above routes will no longer be provided. However the decision to continue to operate them in full or part would lie with the operators dependant on the commercial viability.

- 4.8 Additionally it should be noted that consideration would also need to be given to the content and implications of a letter from the Cabinet Secretary for Economy and Infrastructure dated 02 May 2018 indicating that “from April 2019, each local authority’s allocation from BSSG will have to be at least match-funded by a commitment to expenditure from an authority’s own budget in support of bus and community transport networks in its area”. This position is still being properly assessed and clarification sought from Welsh Government on the exact implications.
- 4.9 Financial support towards Bridgend Community Transport may also be affected in the event of BCBC not being able to attract BSSG funding from the Welsh Government. This would have an adverse impact on communities and residents that rely on Community Transport, especially in areas that are not served by local public bus services.
- 4.10 Further reductions in BCBC budget for supported bus services could have an effect on the commercially operated bus services, as supported bus services help make the commercial bus network viable.

5. Effect upon Policy Framework & Procedure Rules

- 5.1 There is no effect upon Policy Framework or Procedure Rules

6. Equalities Impact Assessment

- 6.1 A full Equality Impact Assessment (EIA) will need to be carried out, if the proposal to remove all BCBC funding is to be considered further for approval. The result of the suggested consultation would inform the EIA. This would then be included with a future cabinet report.

7. Well-being of Future Generations (Wales) Act 2015 Assessment

- 7.1 The Well-being of Future Generations (Wales) Act 2015 Assessment based on the 5 ways of working and any requisite mitigating measures will be required prior to making the a decision to remove the subsidies. This will be included in a further report to Cabinet, taking into consideration the outcomes of the public consultation.

8. Financial Implications

- 8.1 The removal of the remaining £180,000 BCBC funding towards supported bus services would have a financial implication on Bridgend bus station, as revenue from departure charges at Bridgend bus station will drop. The departure charges of £0.30 per departure were introduced in light of the budget reduction for Bridgend bus station of £40,000 for 2015/16 MTFS proposals. Currently, the supported bus services generate over 13,000 departures from Bridgend bus station each year, which contributes approximately £4,000 per year towards the departure revenue.
- 8.2 Some bus shelters may also be left redundant in areas of Bridgend where local bus services will no longer operate. A demolitions budget may be required. This cost would only be identified following the subsidy removal and understanding the resultant level of service removal by operators.

9. Recommendation.

9.1 It is recommended that Cabinet:

- Considers the content of this report and agrees that a public consultation is undertaken on the proposals following which a Full Equality Impact Assessment will be undertaken.
- Agrees to a further report outlining the results of the consultation, to be accompanied by a Full Equality Impact Assessment, to be presented at a future meeting of Cabinet in order that the proposals outlined in this report may be considered.

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11 September 2018

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