

# BRIDGEND COUNTY BOROUGH COUNCIL

## REPORT OF THE CORPORATE DIRECTOR – COMMUNITIES

21 MAY 2019

### REPORT TO CABINET

#### RATIONALISATION OF SUPPORTED BUS SERVICES 2019/2020

##### 1. Purpose of Report.

- 1.1 To report to Cabinet the outcome of a public consultation exercise with regard to a proposal to reduce the amount of Council subsidy for bus services by a sum of £148,000 as agreed in the Medium Term Financial Strategy (MTFS).

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

- 2.1 This report assists in the achievement of the following corporate priority:-

**Smarter use of resources** – ensuring that all its resources (financial, physical, human and technological) are used as effectively and efficiently as possible and support the development of resources throughout the community that can help deliver the Council's priorities.

##### 3. Background.

- 3.1 Bridgend County Borough Council (BCBC) and Welsh Government support the provision of regional and local bus services by subsidising routes that are not commercially viable. These services serve routes that enable residents who live along them to access employment, education, healthcare and social activities.
- 3.2 BCBC's core budget for supported bus services was £202,600 in 2018/19. This included a one-off subsidy agreed as part of the 2018/19 public consultation on subsidised buses where it was agreed three popular local bus routes would be supported throughout 2018/19.
- 3.3 The allocation provided to BCBC by the Welsh Government, through the Bus Services Support Grant (BSSG) was £386,825 in 2018/19, out of which £84,394 was awarded to Bridgend Community Transport with the remainder, £302,431, to be spent on the region's core strategic bus network and associated services.
- 3.4 Reduction in base funding and continued financial austerity has meant the Council has had to review the services it delivers against its declared priorities. The Council's subsidy for bus services makes a significant contribution to ensuring some bus services that are not commercially viable can run. Nevertheless this area of expenditure has been identified as one that is not a

statutory function to deliver and a savings target of £148,000 was identified in the MTFs for the 2019/20 financial year. This would leave no Council budget for subsidising local bus services in 2019/20.

- 3.5 A report was submitted to Cabinet on 18<sup>th</sup> September 2018 setting out proposals for the rationalisation for supporting bus services across the county borough to meet the proposed removal of the budget. Cabinet approved that a public consultation should be carried out together with a full Equality Impact Assessment before a further report be made to Cabinet outlining the results of the consultation and before the proposals outlined in the report were considered and a final decision made on the proposals.
- 3.6 In the past, when subsidy cuts had been implemented, some operators had used it as an opportunity to revise the financial profile of the routes and operated previously subsidised services on a commercial basis. For example, as a result of the 2018/19 MTFs saving, five of the six previously subsidised routes were commercially retained with modifications or reductions in frequencies. As in the past, until the proposed subsidy withdrawal has been implemented, it is unclear whether operators will respond in a similar manner this year.
- 3.7 Welsh Government informed each local authority in May 2018 that they will have to at least match-fund the BSSG allocation from the Welsh Government. Each local authority's allocation from BSSG is used to support the core strategic bus network, community transport services and associated services, as per terms and conditions of the grant. At a recent peer review undertaken by the South East Wales Bus Funding Project Board (SEWBFPB), it was satisfied that BCBC were using the BSSG payment in accordance with the terms and conditions of the grant.

An e-mail from SEWBFPB dated 07 May 2019 provided the indicative amount of BSSG allocation to be awarded to BCBC for 2019/20, which has increased by 2.28%, compared to 2018/19 awarded allocation. A formal grant award letter and quality standards will follow. The terms and conditions which we agreed in 2018/19 continue to apply.

- 3.8 The following table identifies the bus routes which formed part of the consultation:

Service No	Operator	Route	Full or Part Funded	Comments / Implications	Type of Service
67	FIRST CYMRU	Bridgend to Aberkenfig via Pen-y-Fai - (Monday to Saturday)	Part Funded	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)	Fully Funded	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)	Part Funded	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)	Part Funded	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)	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 (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) (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. This route has recently been extended to North Cornelly, following the cancellation of the hourly 63B service via Maudlam and Kenfig Pool. The route of this service is planned to be extended to Newton Nottage Road, when a new surgery opens.	Local
16	EASYWAY	Bridgend to Blaengarw via Heol-y-Myndd and Braich-y-cymmer (Daytime Mon-Sat)	Fully Funded	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

#### 4. Current situation / proposal.

4.1 A consultation on the proposed service removal was implemented to gather views and opinions on the potential impact of the reductions in order to meet a proposed budget removal of £148,000 in 2019/20, as part of the Council's Medium Term Financial Strategy.

4.2 The consultation document is appended to this report, and below are some of the salient points:

- The consultation was available to complete online and paper copies were available at libraries across Bridgend county borough.
- The consultation was advertised on the council's corporate Twitter account fourteen times throughout the period of consultation, with the information being seen 18,623 times.
- A series of Facebook adverts were placed during the period of consultation to raise awareness and also encourage citizens to share their views on the proposals. The advertisements were seen 37,385 times.
- A total of 714 responses were received (412 online submissions and 302 paper versions). During the period, there were 140 interactions on our social media channels, four comments were received by e-mail, and one letter.

4.3 Responses to the consultation identified the following:

- Overall 68% of the 714 respondents disagreed with the proposal to remove the subsidy (49% strongly disagreed and 19% disagreed).
- 522 (73%) respondents aged 55 and over told us that they either disagreed or strongly disagreed with the proposal.
- 193 (27%) of respondents told us they had a disability. Of these, 72% disagreed with removing the subsidy (53% strongly disagree and 19% disagree).
- The three most frequently used bus services, according to survey responses are Service No. 61 (Porthcawl/North Cornelly), Service No. 73 (Bridgend/Blaengarw) and Service No. 16 (Bridgend/Blaengarw).
- When asked where respondents travel to and from, the three most popular routes were between Nottage and Porthcawl, followed by Maesteg Parc and Maesteg Town Centre and then Dan-y-Graig and Porthcawl.
- The number of respondents who live in a household with a car was identified as 467 (66%).
- Only 264 respondents (37%) were aware of Bridgend Community Transport.
- 15% of respondents informed us that they use the bus every day. Of the respondents who use the bus every day, 57% were aged 60 and over.
- 84% of respondents with a disability use the bus either every day (31%), or more than twice a week (53%).
- The most popular responses for the main purpose of using the bus were social (25%), followed by healthcare (24%) and then leisure (23%).

4.4 Bus subsidy contributes to the overall financial viability of services that are partly or wholly subsidised. Therefore, the impact of the removal of subsidy should be recognised. Previous experience suggests that where a subsidy has been removed, operators have adjusted and rationalised their operations to run the affected services on a commercial basis. It is unclear at this stage, however, whether the commercial element of bus services will still continue to operate on the partly or fully funded routes if there is a decision to remove the subsidy

4.5 Community transport services offer an alternative form of transport for the elderly and disabled residents in areas where bus services have been withdrawn. The local community transport operator (Bridgend Community Transport) provides a range of services to suit varied circumstances but it is currently operating at capacity and therefore its ability to respond in the short term to the subsidy withdrawal has to be recognised. The Welsh Government

advised by letter in May 2018 that local authorities match-fund from their own budgets the BSSG in support of community transport networks which provides an added complication. It is uncertain at present whether Bridgend Community Transport would be able to replace any or all of the proposed bus routes for withdrawal. Officers will, however, continue to work and liaise with Bridgend Community Transport to focus on the areas of Bridgend which have reduced or no local bus services.

- 4.6 The Council will also need to give attention to the promotion and increasing awareness of Community Transport.

## **5. Effect upon Policy Framework & Procedure Rules.**

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

## **6. Equalities Impact Assessment (EIA)**

- 6.1 A full EIA has been completed and is attached for member consideration.
- 6.2 In general terms the EIA assessment indicated that there was a potentially negative impact in regard of the loss of services. However it also identified that there was little awareness of the availability of alternatives such as community transport.

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

- 7.1 An assessment has been completed and appended to the report.
- 7.2 In particular, the assessment suggested the following:
- **Long-term**  
The project seeks to remove subsidy which the authority can no longer sustain with the potential of the commercial aspect of public transport to deliver services in a sustainable manner. Also the use of community transport to assist in supporting those areas that may be adversely affected by the removal of the subsidy.
  - **Prevention**  
Public transport in the case of Buses does benefit from the council supporting concessionary travel, which enables persons who hold a concessionary pass to enjoy 'free' local bus travel in Wales on commercial services and some community transport schemes. Also, Welsh Government provide a grant that is focused on core strategic regional travel and community transport.
  - **Integration**  
The benefits of community transport are not widely utilised in Bridgend County Borough and the project could assist in the broadening out of the benefits.
  - **Collaboration**

The transport section work with various sections of the council including Regeneration, Planning and Development in considering wellbeing objectives and also external bodies such as bus operators and community transport provider.

- **Involvement**

As part of the consideration of the changes, a 12-week consultation took place between 17 December 2018 and 10 March 2019. The consultation was online, as well as paper copies being available at our Libraries and Bridgend Bus Station. Promotion of the consultation was available on bus services, BCBC website and social media networks. Roadshows, such as the 'Your Bus Matters' event (facilitated by Bus Users Cymru) took place at Bridgend Bus Station.

## **8. Financial Implications.**

- 8.1 The budget removal will have a financial implication upon Bridgend Bus Station, as departure charges are in place at Bridgend Bus Station for bus services using the bus station.
- 8.2 The departure charges were introduced in light of the budget reduction for Bridgend Bus Station of £40,000 for 2015/16 MTFs proposals. If the local bus subsidy is withdrawn and bus movements are reduced, this will lead to a fall in the annual income for Bridgend Bus Station. It is estimated that this would be a reduction of approximately £4,000 per year.
- 8.3 If the £148,000 saving approved in the MTFs as a result of the proposal to remove bus subsidies for the identified routes is not met, this saving would need to be met from additional savings elsewhere in the Communities Directorate, with other public realm services likely to be impacted upon to make up any shortfall.

## **9. Recommendation.**

- 9.1 It is recommended that Cabinet considers the content of the consultation report and Equality Impact Assessment.
- 9.2 It is recommended that Cabinet determines whether the budget for supported local bus services is removed to the routes identified in table 3.8, or if by a lesser amount, determines that the shortfall is met from additional savings elsewhere in the Communities Directorate.

**MARK SHEPHARD**  
**May 2019**

**CHIEF EXECUTIVE**

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**Background documents – Cabinet Report dated 18 September 2018**  
**Supported Bus Services Consultation Report dated 18 March 2019**  
**A full Equalities Impact Assessment**  
**Wellbeing of Future Generations assessment**