

# Proposed withdrawal of subsidised bus services - evenings and Sundays and proposed non-replacement of future deregistered commercial bus services

- December 2013

#### **Budget pressures**

As a result of the local government finance settlement and existing budget pressures, the county council has already committed to saving over £200 million by 31 March 2014. Following recent announcements by the government over future funding, we now need to find further estimated savings of £300m between 2014 and 2018. This means that the council has to consider making these savings by reducing costs and reshaping the way services are delivered.

Proposals for how we can make those savings are currently being considered by the county council's Cabinet and will be agreed at a full council meeting in February 2014.

As part of a range of proposals being considered, we are looking to reduce the amount of money we spend to support bus services in the county each year by withdrawing the funding to subsidise bus services during the evenings and on Sundays.

While the large majority of bus services across Lancashire are run solely on a commercial basis, the county council currently spends around £8 million each year subsidising bus travel. This proposal would maintain the majority of that spending, while saving £1.82m next year and more than £2m a year after that by focusing on subsidising routes during the day, when they are most used by people going about their business: getting to work or medical appointments and doing their shopping.

We are also proposing an additional £500,000 investment in community transport to make sure that support is focused on those with the greatest need and where the public transport network is particularly limited.

Before the final decision is made on all our budget proposals, we would like to hear any comments you may have on the proposals we have put forward. Your comments will help shape the final report presented to full council in February 2014. Further details are outlined below.

### Background to bus services in Lancashire

While around 80% of the regular bus services across the Lancashire are run by bus operators on a commercial basis, around 20% are subsidised by the county council.

Operators decide which routes they run, what fares to charge, how frequent the service is and when and how it may change. Changes to these services, including the withdrawal of the whole service, is made by giving 56 days' notice to the Traffic Commissioner appointed by the Department for Transport. There is no requirement to consult with users or the county council.

Under the Transport Act 1985, the county council has a duty to: "secure the provision of such public passenger transport services as the council considers it appropriate to meet any public

transport requirements within the county which would not, in their view, be met apart from any action taken by them for that purpose." This means we have to identify public transport requirements which would not otherwise be met by commercial operators and then provide what we think is needed within available resources.

At present we spend around £8 million each year on subsidising the 20% of bus journeys which are not commercially viable. They are provided by private bus companies and are referred to as subsidised services because the county council pays the difference between the cost of providing the service, the fares paid by passengers and reimbursement for concessionary fares (paid by us). We use competitive tendering to get the best price for these services. We also work with the community and voluntary sectors to enable them to provide alternative services such as car schemes and Dial-a-Ride services.

## Service changes we are proposing

Our on-going priority will be to make sure that as many communities as possible continue to have access to a public or community transport service and that these services give value for money. In considering the need to make savings, we are proposing to adopt the following policies:

 To withdraw all evening and Sunday subsidised bus journeys from 18 May 2014. A list of services affected, together with any alternatives, is shown in Appendices 1 – 15:

Appendix 1 Lancaster

Appendix 2 Wyre

Appendix 3 Ribble Valley

Appendix 4 Services operating into Blackpool

Appendix 5 Fylde

Appendix 6 Preston

Appendix 7 South Ribble

Appendix 8 West Lancashire

Appendix 9 Chorley

Appendix 10 Services operating into Blackburn with Darwen

Appendix 11 Hvndburn

Appendix 12 Burnley

Appendix 13 Pendle

Appendix 14 Rossendale

<u>Appendix 15 Services operating into Greater Manchester, Merseyside, Cumbria and North</u> Yorkshire

- With the exception of evening and Sunday services, to continue to support existing subsidised bus services in Lancashire until their existing contracts expire.
- Upon the termination of these contracts, each currently subsidised service will be reviewed on a case by case basis to determine its sustainability in the context of affordability, value for money and community benefit. Where there are proposed further changes to services, the county council will carry out consultation separately.
- Where bus companies withdraw their commercial bus services it is proposed that the county council will not fund any replacements.

## **Timings**

Consultation on the proposals will start 12 December and will run until 17 January 2014, allowing members of the public and local organisations to have their say.

Feedback received will then form part of a report that will be presented at the full council meeting on 20 February 2014. This report will detail comments received, agree what changes will be made along with timescales for implementation and an impact assessment which will outline how we have considered the needs of different people in our communities and how our proposals may affect them.

#### Have your say

By email: <a href="mailto:lcc.bus.services@lancashire.gov.uk">lcc.bus.services@lancashire.gov.uk</a>

By post: Bus & Supported Transport Manager

Lancashire County Council Room D3, PO Box 100 County Hall, Preston

PR1 0LD

**Online:** <u>www.lancashire.gov.uk/haveyoursay</u> - search current consultations.