

CHESHIRE EAST COUNCIL

Cabinet

Date of Meeting:	07 February 2017
Report of:	Frank Jordan, Executive Director of Place
Subject/Title:	Bus Service Review Project – Statement of Methodology
Portfolio Holder:	Cllr David Brown, Deputy Leader of the Council and Portfolio Holder for Highways and Infrastructure

1. Report Summary

- 1.1. The Council provides financial support to secure the operation of socially-necessary bus services throughout the Borough. These services enable residents to benefit from local bus services, especially during evenings and weekends, at those times when commercial services do not operate. The Council has an adopted policy to assess the need for socially-necessary buses, ensuring that expenditure maximises benefits to residents. This report sets out the proposed methodology to complete a borough-wide review of the need for supported local bus services in Cheshire East.
- 1.2. The approach described in this report has been designed to ensure that the Council can robustly prepare an option for a future network of supported local buses to go out to public consultation. This consultation is scheduled to take place over 10 weeks between May and July 2017. Outcomes of the consultation will then inform a recommendation to Cabinet on the implementation of a new network of Supported Local Buses. The timing of all stages in this approach is intended to enable the Council to implement any changes to local supported buses on 1st April 2018. A programme is attached at Appendix 1.

2. Recommendations

Cabinet is recommended to:

- 2.1. Endorse the proposed technical methodology as a suitable evidence base to inform the Council's bus services review.
- 2.2. Note that a Project Board has been established which includes representation from relevant Directorates of the Council and Transport Service Solutions Ltd, in order to provide direction and oversight of the work programme.

- 2.3. Note that the outcomes of the work programme will be reported to Cabinet later in 2017 for a decision on the proposed changes to supported bus routes to go out to public consultation.

3. Other Options Considered

- 3.1 A range of options has been considered in the earlier phases of the 2017-20 budget planning process. In particular, the timing of data collection is a key consideration within the overall programme. To ensure that there is adequate time for consultation, tendering and statutory notices to the traffic commissioner, the survey programme started in January 2017 and will run into February 2017. Subject to a review of survey results, these surveys may require seasonal adjustments based on annual trends to represent whole year averages. This is a valid and standard adjustment process which will ensure the surveys are suitable to inform the network design tasks. Should any of the surveys be considered unreliable, consideration will be given to repeat surveys where data gaps exist.
- 3.2 The approach to development of this methodology has been informed by best practice nationally, taking account of the technical, procedural, cost and deliverability issues that are necessary to ensure that the Council is well-placed to prepare alternative service options as a basis for consultation with residents.

4. Reasons for Recommendations

Proposed Approach to Bus Service Review - Methodology

- 4.1. This methodology has been developed to ensure that the Council has a reliable evidence base to inform any future decisions relating to the level of support for local bus services. The following sections of the report outline, in turn, the content and purpose of key tasks within the approach. Throughout, the aim is to ensure that appropriate evidence is compiled to consider the opportunities and implications arising for changes to local buses procured by the Council.
- 4.2. The methodology includes each of the following key stages:

Stage 1: Run the existing prioritisation process to derive a reference case – This will act as a baseline, against which the effectiveness of a revised bus network can be considered. This would provide a reference comparator against which the effectiveness of the re-designed network can be assessed.

Stage 2: Passenger Surveys – To collect current data on the usage and patronage on existing supported bus services commissioned by Cheshire East Council (CEC). A scheme of surveys will be designed and implemented for on-board bus passenger surveys targeted at users of CEC-funded supported bus services. The surveys are designed to capture information on:

- Passenger Type
- Origin and destination of journey.
- Journey Purpose
- Frequency of Travel and
- Ticket type

Surveys will be commissioned from a specialist data collection company, following procurement through a competitive procedure. Surveys will be completed during standard hours of operation for supported bus routes, with enumerators working on-board vehicles. Surveys will be completed to avoid any distortion of results arising from adverse winter weather conditions during January and February. Post-survey analysis will be completed to expand the survey data to reflect full-week operations, to adjust for any seasonal variations and to confirm key profiles of users.

Stage 3: Accessibility Mapping – This will enable the impact of supported bus services to be evidence by place, by time of day and day of week. Travel times will be assessed to the 9 key service centres and 2 Principal Towns within the Borough, namely:

- Alsager
- Congleton
- Crewe
- Handforth
- Knutsford
- Macclesfield
- Middlewich
- Nantwich
- Poynton
- Sandbach
- Wilmslow

Accessibility by public transport will be analysed for the following time periods:

- Morning Peak Period, weekdays
- Evening Peak Period, weekdays
- Off-Peak Period, weekdays
- Evenings and
- Sundays

Accessibility mapping will be produced to demonstrate the added value of supported local bus services, at various times of day, throughout the Borough.

Following the Network Redesign task (see stage 6 below), accessibility mapping for the revised bus network will be re-run to identify the benefits and any limitations of a new network of supported local bus services.

Stage 4: Define criteria for mapping which relate to the Council's Criteria-based Assessment Framework – For the purposes of future network planning, we will define a set of policy-related metrics that can be mapped for the whole of Cheshire East, to inform an assessment of need for supported local buses. The approach will be to evidence, as closely as practical, each of the existing policy criteria used by the Council in its current assessment framework relating to local supported buses.

Each parameter will be evidenced at the Borough-wide level, using available local / national data sets suited to GIS mapping. The aim is to define a specific data set that will relate to each assessment criteria. The proposed data sources are identified below, alongside the existing assessment criteria used by the Council.

Supported Bus Services Appraisal Criteria	Proposed Service Redesign Measure
Accessing shops	Number / % of households within 60min travel time of a Local Plan principal town or key service centre
Accessing leisure and recreation opportunities	Number / % of households within 60min travel time of a Local Plan principal town or key service centre
Providing bus services in areas where there are no reasonable transport alternatives	Number / % of households with no access to a car
Accessing jobs	Number / % of people of working age and number / % of households within 60min travel time of a Local Plan principal town or key service centre
Accessing education / training sites	Passenger survey data and number of educational sites served by routes
Reducing carbon emissions	Number / % of households within 60min travel time of a Local Plan principal town or key service centre
Improving local air quality	Number of Air Quality Management Areas served
Accessing health, medical and welfare services	Number of health facility locations served
Providing bus services for older and disabled people	Number / % concessionary pass holders within 60min travel time of a Local Plan principal town or key service centre
Providing bus services which have the lowest amount of subsidy from the Council	Network redesign outputs will address this corporate objective through identifying a network which provides most benefit for budget available
Providing bus services which have the highest number of users	Total number of households within 60min travel time of a Local Plan principal town or key service centre
Future viability of bus services	Proximity of bus routes serving Local Plan development sites
Accessing public transport interchanges	Bus routes connecting to PT interchanges (bus stations and rail stations)

Stage 5: Mapping of Needs-based Criteria

Using the criteria defined in Stage 4, each of the criteria within the Council's assessment framework will be mapped. GIS mapping will be used to prepare layers relating to each of the criteria, with layers being capable of overlay to enable consideration of the coincidence of various criteria. Mapping of each criteria will evidence the need for supported bus services throughout the whole Borough. This will then be used to inform a network redesign exercise.

Stage 6: Network Redesign Exercise

Utilising the detailed knowledge of the local bus network, this task will consider the options for re-defining the local supported bus network across Cheshire East. Taking full account of the updated evidence on patronage, accessibility mapping and the needs-related criteria mapping derived from earlier stages in this methodology, we will develop plans for a set of new supported bus services that is based on the following design principles;

- Maximising opportunities to address the greatest levels of need across the Borough
- Making the best use of opportunities to complement, not compete, with commercial services.
- Minimising duplication in the provision of supported services.
- Making the maximum use of opportunities to extend existing commercial services
- Considering opportunities to transfer supported services to commercial operations
- Ensuring that the network is coherent in terms of bus operations and contractual commissioning, taking account of scheduling.
- Being mindful of the likely levels of interest from operators across Cheshire East.

Stage 7: Assessment of Redefined Network option

In this stage we will assess the impact of new network proposals. This will ensure that the draft proposals can be compared against the baseline results from stage 1.

Completion of this stage will ensure that the Council is able to respond to challenges about the impact of any changes arising from the review.

A Gap Analysis will be completed for the draft proposals, to consider alternative approaches to address any loss of connectivity, through mitigation measures such as greater use of local community and voluntary transport services.

Completion of this methodology will ensure that the draft options for redesign of local supported bus networks are well informed by current evidence on needs and usage of services throughout the Borough. The resulting options for change to local services will then be reported back to Cabinet in May 2017 for decision prior to any public consultation.

5. Background/Chronology

- 5.1 The Council has existing criteria in place which are used to determine which routes should be supported by the Council. These were adopted by Cabinet in August 2011 (see Appendix 2). The current adopted criteria provide a fair, transparent and accountable process to prioritise investment by scoring and ranking each supported bus service against objective criteria.
- 5.2 The criteria enable existing contracts to be assessed against 3 main objectives:
- **Contribution to strategic priorities (Local Transport Plan (LTP) Priorities)** – An assessment is made about how the service supports our strategic priorities e.g. supporting employment, business growth, access to retail and leisure, improved air quality etc.
 - **Accessibility** – An assessment of accessibility levels giving greater weight to services where there is no alternative travel option (i.e. rural areas), as well as identifying use by older people and people with disabilities.
 - **Financial Considerations** – A range of criteria which seek to assess the value for money of each contract by evaluating the cost per passenger journey and service usage.
- 5.3 The criteria aim to prioritise expenditure within budget constraints, provide maximum value for money and support wider strategic considerations. The current criteria give the greatest weighting to “Accessibility” (40%), followed by “Strategic Priority Themes (LTP)” (35%) and “Financial Considerations” (25%).
- 5.4 The adopted criteria were developed for minor network changes and the project underway involves a large scale review and assessment of the supported bus network. The methodology described in section 4 has been developed to ensure a needs-based assessment and that the Council has a reliable evidence base to inform any future decisions relating to the level of support for local bus services.
- 5.5 As part of the medium term budget plan for the Council, a total target saving of £1.576m to commence on 1st April 2018 is proposed. The proposals to change the network will be subject to a thorough and detailed public consultation exercise so that the impact of these proposals can be assessed before a final decision is made. In particular the impact on rural communities and protected equality groups will be reviewed following a period of consultation.

6. Wards Affected and Local Ward Members

6.1. All Wards and all Ward Members

7. Implications of Recommendation

7.1. Policy Implications

7.1.1. The Council has existing criteria in place which are used to determine which local bus routes should be supported by the Council. These were adopted by Cabinet in August 2011 (see Appendix 2). The current adopted criteria provide a fair, transparent and accountable process to prioritise investment by scoring and ranking each supported bus service against objective criteria.

7.1.2. The proposed methodology is intended to retain the same principles of criteria-based approach to determine which local bus routes the Council continues to support financially. By considering criteria at the borough-wide level, rather than the route level, there is potential for a more holistic approach to network design when compared with the routine application of the policy criteria which is typically to consider marginal changes to the overall network. However, Cabinet will be mindful that the context for this exercise is a significant reduction in the overall budget for supported local bus services.

7.2. Legal Implications

7.2.1 The Transport Act (1985) imposes duties on and grants powers to local authorities to establish policies and carry out certain functions in relation to public transport.

Section 63, (1) states:

In each non-metropolitan county of England and Wales it shall be the duty of the county council — (a) to secure the provision of such public passenger transport services as the council consider it appropriate to secure 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.

In addition, section 63 (6) states:

A non-metropolitan county council in England and Wales or, in Scotland, a . . . council shall have power to take any measures that appear to them to be appropriate for the purpose of or in connection with promoting, so far as relates to their area —

- (a) the availability of public passenger transport services other than subsidised services and the operation of such services, in conjunction with each other and with any available subsidised services, so as to meet any public transport requirements the council consider it appropriate to meet; or
- (b) the convenience of the public (including persons who are elderly or disabled) in using all available public passenger transport services (whether subsidised or not).

Finally, section 63(7) states:

It shall be the duty of a county council or (as the case may be) of a regional or islands council, in exercising their power under subsection (6) above, to have regard to a combination of economy, efficiency and effectiveness. It shall be the duty of any council, in exercising or performing any of their functions under the preceding provisions of this section, to have regard to the transport needs of members of the public who are elderly or disabled and to the appropriate bus strategy.

7.2.2 In May 2016 the Government introduced the 'Bus Services Bill' with the aim of improving local buses and ultimately increase usage of services. The Bill will affect bus services operating in England (excluding London) and is currently progressing through Parliament with Royal Assent planned for early 2017. The key aspects of this bill are:

1. Strengthen arrangements for partnership working in the sector, introducing 'enhanced partnerships'
2. Introduce new franchising powers with decision making at a local level
3. Provide for a step change in the information available to bus passengers
4. Powers for local authorities to obtain information from providers and also to set up municipal owned bus operators.

It will be important to monitor progress of the Bill and examine any legislation that arises from it during the contemplated service re-design and to assess the impact that any actual/planned legislation may have on the proposals so that they can take into account the up to date law and future proof service delivery.

7.2.3 The Council has previously adopted the Local Transport Plan, and associated bus support criteria, to ensure it discharges the statutory obligation to: firstly, establish policies; secondly, secure appropriate public transport to discharge these policies; finally, take into account the needs of members of the public who are elderly or disabled, and has due regard to economy, efficiency and effectiveness.

7.2.4 Once the methodology is approved by Cabinet, the Council is going to consult on the proposal. When a consultation process is embarked upon it must be "fair". Unless a particular procedure is prescribed by statute, the decision maker has fairly wide discretion as to the mode of

consultation, but certain basic principles must be adhered to in all cases:

- a. Consultation must be undertaken at a time when proposals are still at a formative stage;
- b. It must include sufficient reasons for particular proposals to allow those consulted to give intelligent consideration and an intelligent response;
- c. Adequate time must be given for this purpose; and
- d. The product of consultation must be conscientiously taken into account when the ultimate decision is taken.

The Council should embark on consultation prepared to change course if persuaded to do so. If it were to embark on consultation then it would be preventing an informed and integrated response (pre-determination).

- 7.2.5 Under the Equality Act 2010, the Council is required to identify the impacts of any decisions, policies etc on certain protected groups to ensure equality is promoted, and inequality minimised. For example, there must be an assessment made of the impacts on groups or individuals who are disabled, who belong to ethnic or racial groups, on the grounds of age or sex discrimination etc. Completing an Equality Impact Assessment (EIA) as part of the consultation process will both assist in meeting the Council's equality duties and inform the eventual proposals recommended for consideration by Cabinet.

7.3. Financial Implications

- 7.3.1. As part of the medium term budget plan for the Council, a total target saving of £1.576m to commence on 1st April 2018 is proposed. Failure to develop and implement proposals for a revised and more cost effective network of supported local buses would put additional pressure on the budget for the period April 2018 onwards.

- 7.3.2. The direct costs of completing this methodology are as follows:

Specialist survey company resources (following competitive tendering)
= £39,900

Analytical resources for Accessibility Mapping (secured through the Ringway Jacobs Highways Professional Services contract) = £10,400

Specialist Project Management support on short term appointment (secured through the Ringway Jacobs Highways Professional Services contract) = £25,000 (estimate)

Transport Service Solutions (TSS) staff costs on pre-survey planning, input to network redesign and provision of detailed data = £7,800

These costs are transitional items required to fully develop the business case. These items have been included in the 2016-17 third quarter review forecasts for the Infrastructure and Highways Service.

7.4. Equality Implications

- 7.4.1. An Equality Impact Assessment (EIA) will be undertaken as part of the bus service review to inform the proposals and ensure that the impact on protected equality groups is fully considered before any decisions are made. The EIA will be developed in accordance with the Council's Equality & Diversity Strategy 2017-2020.

7.5. Rural Community Implications

- 7.5.1. Financial support for local bus services is typically required to ensure that many rural communities have access to public transport. There is the potential for redesign of local supported bus services to adversely and disproportionately impact on rural communities. Therefore, the Council's proposed approach to evidence, analysis and network design is intended to ensure that residents' needs in rural areas are consistently evidenced and the impacts on rural communities are taken into consideration.

7.6. Human Resources Implications

- 7.6.1. There are no Human Resource implications arising from this report.

7.7. Public Health Implications

- 7.7.1. The recommendations have no immediate impact on public health. Issues associated with enabling local people to access healthcare facilities will be assessed as part of the programme of works.

7.8. Other Implications (Please Specify)

- 7.8.1. N/A

8. Risk Management

- 8.1. Any proposed changes to local bus services are inevitably going to be unpopular with affected residents. The potential of withdrawing a bus service which residents often rely on can be very emotive and often receives a significant public backlash.

- 8.2. The key risks associated with the Bus Service Review are considered in the project Risk Register. The headline risks should be noted as follows:

Reputational risks	Reductions to local bus services will attract adverse public and/or political comments from affected users – it is an emotive subject and often receives a significant backlash from users and residents.
	Major employers and key businesses in Cheshire East are likely to be opposed to any reduction in the services which provide access to their site.
Financial risks	Where supported buses are currently used by pupils entitled to free home-to-school travel, the Council may be liable to provide alternative provision if no alternative is available.
	Reduction in supported payments may affect the commercial viability of local bus operators, with the risk that other (commercial) services be withdraw should another operator go under. The Council is not party to any detailed business intelligence to inform an assessment of this risk.
	The Council may, as a result, receive reduced income from concessionary fare reimbursement payments. No forecast of this impact is available.
Equity risks	Elderly people, school children, low income households and people with disabilities, who may be entitled to concessionary travel, are disproportionately reliant on supported local bus services and at risk of social exclusion. Any changes to services should ensure that these groups are not disproportionately disadvantaged.
	There is likely to be particular impact on rural areas of the borough where services are less likely to be commercial.
	The wider social impacts of addressing isolation, loneliness and health have not been appraised in this business case.

- 8.3. A comprehensive Risk Assessment and Mitigation Plan has been developed for the project and this will be reviewed and updated during delivery of this methodology.

9. Access to Information/Bibliography

- 9.1. The background papers relating to this report can be inspected by contacting the report writer.

10. Contact Information

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