

Urgent Decision Taken on Behalf of Cabinet

Report to the Leader of the County Council and the Cabinet Member for Highways and Transport

Report submitted by: Head of Service, Public and Integrated Transport

Part I

Electoral Divisions affected:
Chorley Rural West;
Leyland Central; Leyland South;
Lostock Hall & Bamber Bridge;
Moss Side & Farington; Preston City;
Skelmersdale East; South Ribble East;

Proposed New Tendered Bus Service 113

(Appendix 'A' refers)

Contact for further information:

Ashley Weir, Tel: 01772 534564, Principal Transportation Officer (Local Bus),
ashley.weir@lancashire.gov.uk

Executive Summary

This report recommends that Lancashire County Council funds a full replacement bus service following the withdrawal by Stagecoach of local bus Service 113. This is to ensure the maintenance of a number of public transport links between Preston and Wigan across a wide area of South Lancashire, including Preston, South Ribble, Chorley and West Lancashire districts.

It is also recommended to undertake a sustainability review of the existing tendered bus service network.

Reason for Urgency

This decision is urgent and cannot await the next meeting of Cabinet on 17 January 2019. The reason for this is to ensure no break in provision for bus service customers in this part of Lancashire. It is therefore proposed that the decision be taken on behalf of Cabinet by the Leader of the Council and the Cabinet Member for Highways and Transport in accordance with the provisions of Standing Order C28(1).

Recommendation

The Leader of the County Council and the Cabinet Member for Highways and Transport are recommended to:

- (i) Approve the proposed replacement tendered bus service as set out at Appendix 'A'.
- (ii) Authorise officers to draw up the detailed service schedules and complete the necessary contract procurement process to allow the replacement tendered service to commence from 7 January 2019.
- (iii) Authorise officers to undertake a sustainability review of the existing tendered bus service network to identify prospective revisions that would be affordable within the available budget.

This decision should be implemented immediately for the purposes of Standing Order C29 as any delay could adversely affect the execution of the County Council's responsibilities. The reason for this is to ensure that the replacement tendered service will commence from 7 January 2019.

Background and Advice

Prior to April 2016, the local bus service linking Preston, Leyland and Wigan via Gregson Lane, Bamber Bridge, Lostock Hall, Croston, Eccleston, Heskin Green, Wrightington Bar and Standish, operated in partnership with Lancashire County Council's as part of the tendered bus service network. The service operated every hour during Monday to Saturday daytime and every two hours on Monday to Saturday evening.

At that time the county council significantly reduced its financial support for tendered bus services across the whole county. Stagecoach made the decision to operate the full Monday to Saturday daytime service on a commercial basis.

Service 113 currently provides many links between Preston and Wigan across a wide area of South Lancashire, through South Ribble, Chorley and West Lancashire. The service currently operates generally every hour during Monday to Saturday daytime.

Stagecoach has determined that the service is no longer viable for them to operate on a commercial basis and from 7 January 2019 they will withdraw the entire service.

Impact on Lancashire Residents

Whilst a number of areas will continue to be served by a regular local bus service, certain locations will no longer have access to any bus service as follows:-

Gregson Lane, east Bamber Bridge, Lancashire Business Park, north west Leyland, Heskin Green, Wrightington Bar and Mossy Lea. There will also be a significant impact to residents who travel across the whole area due to the cessation of this route.

Impacts to Lancashire County Council Tendered Bus Services

There is no direct impact on current county council Tendered bus services, although Services 112 & 114 do cross sections of the current Service 113 but operate to different destinations.

Assessment and Priority

According to ticket machine data and on-bus surveys there are approximately 220,000 annual passenger trips (723 per day) made on Service 113.

Just over a third of these annual passenger trips (81,000) are older or disabled concessionary pass holders. The fares income, including reimbursement, generated is approximately £320,000 per annum.

Based on the evaluation of the data, around a third of the passenger journeys made on the service will have direct alternative bus services available, though they may not be to destinations served by the 113 service. However a high proportion of those areas left without a bus service, will have virtually no alternative public transport options available, therefore the public transport needs of these local communities would not be met.

Using the county council's policy for the consideration of tendered bus services it has been initially assessed that a public transport service can in principle be justified for most areas of the withdrawn service.

The cost per passenger journey of the proposed replacement for bus Service 113 would be around £1.10 and rank the service in the top 10% of the existing tendered bus service network.

Current Position

Whilst there are alternative county council tendered bus services available in the area which could be reconfigured to provide a partial replacement for certain journeys, this would result in some other areas having their sections of route withdrawn.

Whilst a public transport service need has been determined, a full replacement service will cost approximately £240,000 per annum. There is currently no capacity within existing budgets to cover this additional cost without either increasing the budget provision or undertaking a review of some of the existing tendered bus service network.

Proposal

In accordance with the Assessment and Priority Policy for Public Transport Services in Lancashire, the proposal is for the county council to initially fund a full replacement Service 113 and undertake a sustainability review of the existing tendered bus service network.

This sustainability review is aimed at ensuring that the tendered bus service network is accommodated within the available budget by identifying those routes, or sections of routes, that have been assessed to be less economically sustainable and to determine whether they offer value for money. This will be done by considering the net cost of carrying each passenger (cost per passenger journey).

The upper limit to this cost per passenger journey beyond which the county council will not normally continue to provide the service is set at £5.00. Those routes, or sections of routes, above this limit may then be subject to revision or possibly withdrawal subject to consultation.

A further report will then be presented to Cabinet detailing proposed revisions to the tendered bus service network to maintain services within the available budget.

Consultations

All divisional county councillors have been notified of Stagecoach's decision to withdraw local bus Service 113. Direct feedback has been received from Members, local MPs, other representatives and residents requesting the county council intervenes to maintain the bus service.

Implications:

This item has the following implications, as indicated:

Procurement

A framework agreement is in place for the procurement of Local and School Bus Services in Lancashire. All contracts are procured under this framework by mini-competitions. The service will be contained within an agreed individual contract in accordance with the terms of the Framework Agreement.

Financial

The net cost of incorporating a full replacement service within the county council's Tendered Bus Service Network will cost approximately £240,000 per annum. The estimated additional cost for the remainder of this financial year, from January 2019 until March 2019 will be approximately £60,000 and will be funded from within the Community Services budgets (which are currently reporting an underspend, but this could reduce as a result of this report).

The estimated additional cost for the first quarter of the next financial year, from April 2019 until June 2019 will be approximately a further £60,000 (dependent upon the completion of the sustainability review). The additional funding required will be managed across the Community Services budgets, with the sustainability review being completed expeditiously to ensure services are provided within the allocated budget.

Risk management

Without the proposed replacement tendered bus Service 113 in would leave a large population of South Lancashire without access to a public transport service.

List of Background Papers

Paper	Date	Contact/Tel
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None

Reason for inclusion in Part II, if appropriate

N/A