

## **Local Bus Services in Cornwall**

### Introduction

Cornwall Council has recently tendered its entire supported local bus service network across the county. The Authority now spends over £5.5m per annum supporting local bus services in Cornwall; this is about 50% of the entire bus network in the County. Accessibility to Public Transport affects the lives of so many people and whilst headline stories will report the cost of financial support for subsidised bus services, it is perhaps necessary to clarify these costs and examine the value of public bus services.

### Funding

'Public transport is transport for the public arranged by private companies'. In rural areas where the number of people travelling by bus is few, it stands to reason that no bus company is going to operate a service which loses money. The role of Cornwall Council then is to plug the gap in the commercial network where a social need for public transport has been identified by 'buying-in' a service (bus and driver). Public transport of course doesn't necessarily have to be bus provision; it could be train, community bus, taxi, ferry etc and from the Authority's point of view, it should be whatever returns the best value for its tax-payers.

### What does the £5.5m per annum support for bus services buy us?

The average cost in Cornwall for hiring a bus (and driver) for two journeys per day to operate a school bus contract is around £150; so to operate a local bus service throughout the day and perhaps evenings and weekends also is going to cost much more, on average near £350 per day or around £100,000 per annum. So, our £5.5m would in theory 'buy-in' 55 bus (and driver) operations – of course, there are varying levels of bus service and therefore varying costs across the county. By planning to integrate school bus and local bus operations, as it were to utilise the same bus throughout the day, the Council has been able to 'buy-in' 105 bus workings. Most subsidised local bus services operate on what is known as a Minimum Subsidy basis where the fares collected are retained by the bus company.

However, any tender exercise for the supported network is bound to have repercussions for the commercial network. Consequently, following a tender exercise, there will be a period of change in bus times and frequency where the bus companies determine how best to get most value out of their commercial bus routes alongside those journeys subsidised by the Council.

### What is the effect of Concessionary Fares travel on Local Bus Service funding?

The English National Concessionary Travel Scheme (ENCTS) which is enshrined in statute law provides free off-peak travel on eligible local bus services to eligible persons. An eligible bus service is an ordinary local bus service, it cannot be one that, for instance, only operates occasionally or is short term or is primarily for tourism. An eligible person (e.g. a disabled or elderly person) is one who qualifies for an ENCTS pass.

Bus companies are re-imbursed an amount for carrying ENCTS pass-holders. In Cornwall, the Scheme is financed and administered by Cornwall Council and we reimburse the bus companies 50% of their average single adult fare. In total, this costs Cornwall Council £5.2m per annum. Clearly bus companies are reluctant to operate bus services to just carry ENCTS pass-holders as their income is reduced – an outcome may be that the commercial service or journeys thereof become uneconomic and withdrawn by the bus company. The Council then needs to decide whether there is sufficient social need to 'buy-in' replacement journeys or service.

#### What about the almost empty buses I have seen about?

This is a question often asked. The answer is straight-forward – (1) passenger loadings on a bus vary across different locations and the bus is fullest on the busiest stretch of route (2) it makes sense to utilise one bus working throughout a day than use a larger bus for the peak-time journeys and a smaller bus during the off-peak times. It would be wasteful to have a bus parked all day and just doing odd journeys; (3) at certain times buses have to return to the point where passengers are waiting to travel after completing the preceding journey and (4) to travel to/from the bus garage.

#### What about consultation with Town and Parish Councils?

As far as is possible, the Council consults through its Community Network Panels that comprise of Town and Parish Councillors - the Council also holds a regular Bus Forum attended by Councillors, Officers, Bus Operators and Users which meets in different parts of the county. We also liaise regularly with Bus User Groups, particularly, TravelWatch SouthWest. We carry out patronage and punctuality checks and frequently hold discussions with Elected Members and with the general public. We regularly attend meetings with Community Network Panels and User Groups. We stop short though of asking for what could become a 'wish-list' as quite simply we could not meet all of the demands made. Remember, the Council has to complement the commercial bus network which is not a Council-owned facility.

#### What is the value of rural bus services?

A national study undertaken in 2012 by the University of Leeds on behalf of the Greener Journeys campaign (*Greener Journeys/Leeds University: Buses and Economic Growth: July 2012*) provides national data evidence of the value of bus services. The report states "Overall, the bus is an important facilitator of economic activity in urban Britain and there are large sub-groups within the population who are reliant on the bus". It is clear that in rural areas across the country this is equally the case.

Many other reports are now available that provide similar evidence of the essential value that public transport provides in relation to access to opportunities and essential services, and in relation to the adverse economic, social and health effects that result from poor access.

On our supported (tendered) journeys we will know the cost and will monitor to establish patronage, so we are able to establish a 'cost per passenger journey' as a

baseline. We will be publishing these figures in future to evidence how much some bus journeys are costing the tax-payer. However, is this the full value of bus services?

Buses are overwhelmingly the dominant public transport mode, comprising over 70% nationwide of all public transport journeys; in Cornwall this amounts to over ten million passenger journeys a year by bus.

Rural counties have significant numbers of people without access to a car and who depend on buses for essential elements of their life. Bus services are an essential contribution to the continued sustainability of communities as it enables people to travel independently to work, college and school, health (enabling people to travel to health care at the earliest opportunities before health problems escalate) and shopping facilities and to access other leisure and essential services.

#### What can we do to protect our local bus service?

Use the bus more regularly! Cornwall Council, like every other Local Authority in England is facing huge financial pressures due to reduced funding from Central Government. There is less money to 'buy-in' services like Adult and Child Social Care, Libraries, Public Conveniences, Bus Services etc. etc. So, where services are under-used and not cost effective, it is possible that the services will have to be reduced or even withdrawn in the future. Cornwall Council will be measuring the cost of subsidising bus services on a 'cost per passenger journey' basis. Clearly where the patronage is poor and the cost becomes exorbitant, the Council must make a decision whether to continue supporting the provision of a particular local bus service. It is very much a 'use it or lose it' scenario.

Local Bus Services need to be protected as they play such an important role in enabling people to access places of work and education, hospitals, day and health centres, shops etc - people using the local bus services need to be pro-active in proclaiming their value. Local User Groups, Community Networks, Town and Parish Councils need to survey passengers and non-passengers to identify reasons (e.g. the routing, the timing of journeys) for using (or not using) local bus services – such research can then be used to evidence whether certain bus services, with a high subsidy per passenger, should be retained. The Council is developing a guidance leaflet on how Town and Parish Councils can promote local bus services in their particular communities and this will be circulated shortly.

I hope this report has been of use; I am happy to discuss any aspect of it and can direct to the wider research papers available, if one wishes.

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