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| Date of Meeting | 18th January 2007 |
| Title of Report | Funding of Passenger Transport Services |
| Portfolio | Parking and Transport |
| Link to Corporate Priorities | Sustainability , Equality & Diversity, Spatial Planning, Healthy Lifestyles |
| Key Decision | Yes |
| Executive Workplan Ref | B320 |
| Public Report | Yes |

Summary of Report

The report sets out the position for current funding of passenger transport services and evaluates options for funding of these services in 2007/8. The Executive is asked to consider what level of funding is appropriate in the light of current revenue expenditure pressures. Although this area of expenditure is discretionary, it is seen as a lifeline by the voluntary sector and the ultimate beneficiaries tend to be more vulnerable members of society; older, disabled and young people. Any reduction in service offered to these people, would be likely to have long term implications for providers of other service; e.g. health care.

Officer Recommendations

To adopt Option 5 in this report – That is:

- 1. To cease financial support for Wiltshire Rural Bus Services from April 2007; and**
- 2. To continue to provide financial support given to:-**

**Wiltshire Rural Transport Partnership,
The Link Project and Link schemes,
Swindon Dial-a-Ride.**

Within an overall budget of £22,320 for 2007/08

Other than those implications agreed with the relevant Officers and referred to below, there are no other implications associated with this report.

| Financial Implications | Legal Implications | Community & Environmental Implications | Human Resources Implications | Equality & Diversity Implications |
|------------------------|--------------------|--|------------------------------|-----------------------------------|
| YES | NONE | YES | NONE | YES |

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1. Introduction

- 1.1 In recent years, the Council has given financial support to several providers and organisers of passenger transport services. In 2006/7 these are the Wiltshire Rural Transport Partnership, the Link Project, Link schemes, Swindon Dial-a-Ride and Wiltshire County Council (for rural bus services). In addition, officer time is given to supporting these and other transport organisations, in all amounting to about half a full time post. As expenditure on transport services (other than concessionary travel) is discretionary, the Council is at liberty to review from time to time the level of funding that it provides. In the light of the current pressure on revenue expenditure, this report explores what level of funding would be appropriate in 2007/8 and beyond and the implications of making any reduction.

2. Options and Options Appraisal

- 2.1 **Option 1:** Increase the funding given to Wiltshire Rural Transport Partnership, the Link Project, Link schemes, Swindon Dial-a-Ride and Wiltshire County Council in line with inflation. This would reflect the cost increases experienced by the organisations receiving the funding and would result in additional expenditure of about £1,800. However, given the current financial pressures, this option could be difficult to justify.
- 2.2 **Option 2:** Continue the current level of financial support into 2007/8. This would be sufficient to enable existing services to continue, assuming that the organisations concerned could otherwise address any inflation-related cost increases. That is believed to be the case. The Council's funding is aimed primarily at helping more vulnerable members of society, mainly elderly, disabled and those without private transport.
- 2.3 **Option 3:** Continue the current level of financial support for the Wiltshire Rural Transport Partnership and Swindon Dial-a-Ride into 2007/8. Reduce the Council's contribution to Link scheme funding. It is considered that the disadvantage to Link schemes would outweigh the limited cost saving to the Council.
- 2.4 **Option 4:** As Option 3 but also reduce the £3,000 funding for Swindon Dial-a-Ride. Unless Swindon Dial-a-Ride could make up the balance from elsewhere, the current service would be in jeopardy. It is considered that the potential disadvantage to service users would outweigh the limited cost saving to the Council.
- 2.5 **Option 5:** As Option 2 but delete support for rural bus services. This Option is recommended.

3. Background Information

- 3.1 The Wiltshire Rural Transport Partnership was set in 1998 to improve access to services and facilities in Wiltshire and Swindon in an inclusive way. The Council's relatively small contribution (£3,120 in 2006/7) enables the Partnership to lever out more substantial sums from other funding bodies (e.g. the Rural Development Agency). Such funding is vital to the Partnership's function in giving assistance to voluntary rural transport providers. In April 2006, responsibility for core funding of the Partnership was transferred from the Countryside Agency, to the Rural Development Agency and proposals are now in train to replace it with a broader access and rural transport forum. Given this, it would be advisable to maintain funding at the current level, at least until the new arrangements are established.
- 3.2 Link Project and Link schemes: The Link Project provides support for existing Link schemes and to set up new ones; for this work, it relies on funding from the District

Councils (£5,000 from each in 2006/7) and County Council (some £19,000 in 2006/7). Where necessary, these Councils and the PCTs also grant funding to individual Link schemes, who are otherwise self-funding, for the continuance of their services; The Council's budget this year for that purpose is £16,200. There are 9 schemes in North Wiltshire, undertaking some 16,193 tasks per annum.

- 3.3 Swindon Dial-a-Ride: The Council's contribution covers about 42% of the cost of extending this otherwise urban service to Purton and Lydiard Millicent. There is no other provider of transport for the disabled people in the area and about 400 passengers are carried annually. The organisation also raises funds from elsewhere, including the Parish Councils.
- 3.4 Rural bus service support: Since the late 1990s, the Council has made a contribution to Wiltshire County Council in respect of non-commercial rural bus service that the County Council provides in North Wiltshire. At the outset, this money was used to secure specified bus service facilities that the County Council would not otherwise have provided. However, as a result of subsequent service changes and contract renewals, these facilities have ceased to exist in their original form and it is no longer possible to separate out their costs from the overall contract price of each service. The validity of supporting rural bus services in this way is questionable and the Council's contribution (£45,700 budgeted for in 2006/7) has been identified as a possible area of saving for 2006/7 and future years. It should be noted that the Council already makes a significant contribution to the maintenance of rural bus services by foregoing potential revenue from Chippenham bus station. Unlike in many other parts of the country, the Council has traditionally not charged operators for using the bus station and has recently spent a considerable sum on access improvements there. The staff resource implications of cutting revenue support would be negligible.

4. Financial Implications

- 4.1 The total 2006-07 budget for these transport services is £68,020.
- 4.2 It is recommended that if, financial support of Swindon Dial a Ride, Link Schemes and the Transport Partnership continues, it will be necessary to make a budgetary provision for £22,320 for 2007/08 and future years, leaving £45,700 for the financial support for local bus services.
- 4.3 The withdrawal of financial support for local bus services would result in a cost savings of £45,700 (2006/7 prices). Almost all of this (£42,000) was included in the 2007-08 Revenue Budget Level 1 savings of Community & Environment, presented to the December 14th Executive. The savings figure will be revised up to £45,700 in the next iteration.

5. Community and Environmental Implications

- 5.1 The services supported by the Council play an important role in the viability of local communities and help to provide a more sustainable transport alternative to the private car. Ceasing the funding contribution made to Wiltshire County Council for rural bus services would be likely to result in service reductions/withdrawals, as there is very little chance that bus companies would be willing to continue at their own expense. Whereas, the voluntary sector provides some transport services, there is no guarantee that it would have the capacity to fill any resultant unmet needs.

6. Equality and Diversity Implications

- 6.1 An Equality Impact Assessment was produced in 2005 for this Council's activities in the area of Community Transport. This can be viewed on the Council's website at http://www.northwilts.gov.uk/equality_impact_assessment_community_transport_93kb_.pdf
- 6.2 Older people are the most likely to suffer from any loss of rural bus services that might result from the withdrawal of funding.

7. Risk Analysis

Risk of following the recommendations

- 7.1 Applying an inflation-related increase to funding of Wiltshire Rural Transport Partnership, the Link Project, Link schemes and Swindon Dial-a-Ride, these organisations will be able to plan their services. The consequences on not inflation linking the budget will leave uncertainty over the future service provision.
- 7.2 Reducing the level of support for rural bus service would probably result in service withdrawals, thus putting more pressure on the voluntary sector to provide alternative transport.

Risk of not following the recommendations

- 7.3 Reducing to funding of Wiltshire Rural Transport Partnership, the Link Project, Link schemes and Swindon Dial-a-Ride could lead to these organisations experiencing financial difficulties and the beneficiaries could suffer as a consequence.

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| Appendices: | <ul style="list-style-type: none"> • None |
| Background Documents Used in the Preparation of this Report: | <ul style="list-style-type: none"> • None |

Previous Decisions Connected with this Report

| Report | Committee & Date | Minute Reference |
|---|---|------------------|
| <ul style="list-style-type: none"> • Community Transport Policy | Executive Committee 1 st December 2005 | |