

# SUSTAINABLE DEVELOPMENT, PLANNING AND TRANSPORT COMMITTEE

13 March 2018

## PART I - DELEGATED

### 7. THREE RIVERS BUS SERVICES REVIEW 2017/18 (DCES)

#### 1. Summary

1.1 This report proposes updates to the Council's current strategy following recent notifications of changes to commercial public bus services that will affect Abbots Langley, Leavesden, South Oxhey and Carpenders Park; as well as a determination on continued support for a trial service operated by Hertfordshire County Council.

1.2 The Council's current bus support strategy was set in November 2015, following consultation of all Local Ward Councillors to determine local priorities for the services that it supports, to make sure that these reflect routes that are considered to be most important to people who live, work or travel in the District.

#### 2. Details

##### ***Background***

2.1 The District Council promotes and supports various public bus services, typically in partnership with the Hertfordshire County Council, because better public bus services deliver a very effective contribution to many of the economic and social objectives of the Three Rivers Strategic Plan. For example:

- Bus services enable people to travel locally to services, business and leisure facilities that they could not otherwise access, enabling economic growth.
- Bus services provide an alternative to private car, reducing car use to create a healthy, high quality and increasingly sustainable local environment.

2.2 The majority of bus services in England are 'commercial services' run voluntarily by private commercial bus operating companies in order to generate a profit. Any services that are not run voluntarily by the bus operating companies can be supported by the Transport Authority, Hertfordshire County Council ("HCC" hereon). HCC has duties to consider and plan for the provision of passenger transport services to meet any important needs that are not being served by the commercial bus operators.

2.3 Where the County Council considers that needs cannot or should not be met from its local bus budgets, the District Council helps to provide better bus routes and infrastructure to help people to travel locally without the need for a car. Through the Three Rivers District Better Buses Programme, the Council supports additional journeys on some services contracted to the County Council (and on other primarily commercial services), by financing extra journeys that are often in the evening or to increase the frequency of daytime services, which would not otherwise be provided.

2.5 District Council support for bus services on specific routes has developed in response to requests from the public, often through elected Councillors, for additional or improved services to connect local communities with facilities that they could not otherwise access, such as shops, hospitals, railway stations, business locations and town centres.

- 2.6 Some routes have historically been supported because commercial contributions have been withdrawn, leaving residents without reasonable access to public transport.
- 2.7 Contracting bus services is not straightforward due to lack of supply and regulatory requirements. The arrangement of a contract formally takes around six months to a year before the contract can start. This makes planning contracts difficult in terms of the financial processes of the District Council, particularly because commercial bus services change regularly and that affects the potential for subsidised services to be available or offered.
- 2.8 The actual process of bus contracting is particularly difficult in terms of commercial contracts, because most bus service operators are limited by their commercial interests in the commitments they can make; and due to the limited number of bus operators active in any geographical area. There is not a large supply of buses and operators.
- 2.9 Any contribution that the Council makes to encourage services must therefore be adequate to fully fund the shortfall on the commercially unviable journeys that the Council seeks to support. Further, regulatory requirements in the relevant legislation reduce the flexibility of the process.

### **Bus services and Infrastructure promoted by the District Council in 2017/18**

#### **Routes**

- 2.7 The District Council has formally agreed to support four routes at the current time. These are the R16 (£10,210), R17 (£5,630) and the W19 with an extension to the 8 (total £42,380). Each of these has been supported for many years, or was approved for support as a result of the November 2015 Bus Services review. There is also a trial of the R8 by the County Council to which the District Council agreed a contribution of £2,400, but which must be considered for full year contributions if it is to continue (£12,700).

#### **Infrastructure**

- 2.8 The District Council also contributes towards bus shelter installation, enhancement and maintenance, installing a bus shelter each year (most recently in Rickmansworth High Street and Edinburgh Avenue, Mill End).

#### **Soft measures**

- 2.9 The District Council further supports local bus users through the Council's membership of the Hertfordshire County Council Intalink Partnership, which markets local bus services and allows the Council to support and represent local people's problems to HCC and the Commercial Bus Operators. The Council also provides political support to resolve important local bus issues such as where flooding diverts buses regularly or causes passengers inconvenience (recent examples including issues in Green Street, Chorleywood and Long Lane, Mill End).

#### **Dial a Ride**

- 2.10 The District Council currently contributes towards a second Dial-a-Ride bus to serve the District. This supplements the one bus managed by the County Council, which provides a subsidised, low cost door-to-door transport service for people who are older or disabled. Further options may exist to serve the older shoppers who benefit most from the services supported by the District Council. The committee is asked to note the decision of the November 2015 meeting of this committee, which determined to make no change to the current service. There was little support expressed for a full investigation into the effectiveness of alternative options for delivering support to the residents who rely on the Dial-

a-Ride Service. There are alternative options, which have been trialled by other Districts, particularly for older people needing access to supermarkets. One option to better serve this group more effectively (and potentially with better financial efficiency) could be the introduction of a dedicated shopper bus serving each settlement on a circular route one day a week.

### **Current commercial changes expected in 2018 and options**

#### **Route W19**

- 2.11 This service connects Carpenders Park station (serving both Carpenders Park and South Oxhey) with North Watford, Watford Junction and Watford town centre. Up until 2016, the District Council supported supplementary daytime journeys to make the service more frequent for people wanting to travel between South Oxhey and the larger supermarkets in Watford, as there are no large supermarkets located in South Oxhey. The R16 and R17 connect different parts of Carpenders Park and South Oxhey with other supermarkets, running respectively two return journeys and one return journey each week.
- 2.12 This contribution was successful in that these W19 'daytime shopper' journeys became commercially viable in 2016. The next improvement implemented as a result of the 2015 Bus Services Review (which required the W19 Service to be enhanced), the District Council determined from October 2016 to improve early morning journeys (by subsidising a diversion of the route to serve more homes) and to introduce three evening journeys (Mon-Sat) at a cost of £33,660. These improvements connect the wider residential estates of South Oxhey at peak times to support local people to reach work in Watford, when no other buses run.
- 2.13 Additionally, contributions of £8,720 support the improvements to the Sunday service on route 8, which saw that route diverted on Sundays around Muirfield Road to serve this large estate. This was a much more cost effective way to connect South Oxhey with Watford than by extending the W19, due to the number of buses required. The total contribution by TRDC to the W19/8 route is currently £42,380. A review of these improvements was scheduled for 18 months after the start, which means that a further decision on whether to continue these must be made by early May 2018 at the latest, so one recommendation is to delegate authority for the current supported improvements to be continued or withdrawn.

#### **Current changes to route W19**

- 2.14 The operator announced in February 2018 that it intended to withdraw both the extra half hourly services; and the first morning services and early evening services. This would leave the route serving only later mornings (first leaving South Oxhey at 7:48am to arrive in Watford at 8:25am) and running every hour, with a gap in the timetable, with no buses returning from Watford between 3:37pm and 6:37pm.
- 2.15 It would also remove the daytime half hourly 'shopper' services (that were supported by TRDC until June 2016 to connect South Oxhey residents with the South Oxhey Centre and with supermarkets). The latest available passenger figures for this element of the service showed an annual estimate of just over 20,000 passenger journeys a year (79 journeys each day) on the services that the District Council subsidised, with around 88% of journeys made by users of concessionary passes.
- 2.16 HCC have currently been unable to obtain detailed passenger data for the currently supported journeys (three in the evening) that are not proposed to be

withdrawn; or on the early morning journey that is proposed to be withdrawn.

- 2.17 Local Ward Councillors have reported their concerns that the withdrawal of the commuter journeys, which are not replaced by any other service, would be “disastrous for South Oxhey” and “a real problem for people in Carpenders Park” both for shoppers and because local people would find it much harder to get to work in the larger conurbations both in Watford and in London without easy access to the station from the residential estates, in which many streets are not within walking distance to the station.

### **Options for route W19**

- 2.18 The District Council has options to determine:
- i. Not to replace commercial contributions for services on the W19 in the early morning and evening, or the daytime half-hourly shopper services.
  - ii. To replace commercial contributions for those extra daytime half-hourly shopper services but not to replace commercial contributions for services on the W19 in the early morning and evening but.
  - iii. To replace commercial contributions for services in the early morning and evening but not to replace commercial contributions for the W19 extra daytime half-hourly shopper services.

### **Option analysis**

- 2.19 Option (i) would leave the service as proposed by the commercial operator. This would mean that daytime services would run hourly, starting from around 7am, until 3.30pm, with a gap until the three TRDC-funded services start (at 6:39pm, 7:39pm and 8:39pm). Commuter passengers (who are likely to be those without cars) would be unable to easily access Watford directly from South Oxhey; it would also affect rail passengers who rely on the W19 to access Carpenders Park station early in the morning.
- 2.20 An alternative travel choice would be that these people travel first to the station and then on from a Watford Station. The difficulty with this is that there is poor alternative access to Central South Oxhey. This would also affect the many daytime shopper passengers who rely on this service to access the supermarket easily, who would then have to rely on the remaining hourly service.
- 2.21 Option (ii) would have the same effect on users of the shopper service but would retain the extra service for the commuter passengers. This would leave shoppers with access to a bus only once every hour. Officers obtained a cost estimate for this option of £27,230 in addition to the current contributions (for three evening services at around £31,780, a reduction on £42,380 of around £10,600), at a total contribution of around £59,010.
- 2.22 Option (iii) would have the same effect on commuter passengers but would retain the extra service for the primarily concessionary shoppers. Officers obtained a cost estimate for this option of £66,040 in addition to the current contributions. As current contributions are £42,380, the total contribution would be around £97,800.
- 2.23 The decision must therefore balance the needs of commuters against those of shopper passengers. It is known that in 2015, 88% of the shopper trips (69 of the 78 passengers per day) used concessionary passes, so the clear majority on these trips are likely to be older people. However, contributions to support the shopper option are much higher at an extra £66,040, a subsidy of around

£3.30 per trip.

- 2.24 It is not known what demand there is for the commuter trips but it is certain that the W19 is the only route serving the South Oxhey residential estates in the weekday early morning and evenings (otherwise, bus passengers have to travel to Prestwick Road and central South Oxhey to catch a bus). This would therefore make bus commuting very difficult for local people travelling to work in Watford, or to quickly and easily reach the station at Carpenders Park. This option is less costly.
- 2.25 Data is being sought for the evening services currently supported and depending on the results, it may be that these services could be withdrawn.

### **Route 318**

- 2.26 The District Council supported the 318 route at around £30,000 a year until 2014/15 to ensure that Abbots Langley was connected by a direct service to Watford town centre and key local destinations including Kings Langley Station, major supermarkets and Leavesden Country Park, which would not otherwise be easily accessible by public transport.
- 2.27 This route was taken as a viable commercial route by the operator in 2015. However, temporary Government contributions allocated by the County Council (Local Sustainable Transport Fund, 'LSTF') for the extension of the route to Hemel Hempstead has since ended; and the operator has recently announced that it is now going to reduce all the elements that were funded formerly from LSTF and other local authority contributions (the evenings, extra bus each hour on Saturdays; and the extension from Abbots to Hemel).
- 2.28 Local Councillors have reported their concerns that *"the loss of a route between Abbots Langley and Kings Langley would be devastating, as would the lack of a Watford to Hemel route on the west of the village; Not having a service linking AL and KL will be catastrophic in terms of community links. Many use community facilities in the other village, in particular health facilities"*.
- 2.29 The County Council has assessed a range of options which can be seen at Appendix A to address the withdrawal of this route by contributing their own contributions, but the data shows that none of the options provide a strong value for money case for HCC to be able to justify using their local bus budget contributions. Unfortunately there is very weak data for this service as the current operator has not provided this to HCC, where many other operators regularly do so.
- 2.30 Replacing this service would, we are told, provide very low value for money and if the County subsidised this service this would necessitate a reduction of buses on five other supported services across the County. The very limited data available indicates that a maximum of around 4 passengers use the service between Watford and Hemel on any one journey.
- 2.31 The County Council has advised us that it will re-assess the value of the route if other contributions are allocated. We understand that Dacorum BC does not intend to support the 318, so Three Rivers District Councillors must determine whether to allocate new contributions to support this route, or a variant.
- 2.32 The November 2015 meeting of this committee determined that the contribution to the 318 service would not be proposed as an option because these services were supported in part by the District Council until 2014 when the bus operator determined to withdraw them due to low passenger numbers.

2.33 Hertfordshire County Council having assessed the options, it can be seen from the simple table in Appendix A that of the three proposals, only Option C is affordable for the District Council in terms of the current £86,570 budget.

### **Route R8**

2.34 The R8 service is currently subsidised as an extension of a Hertfordshire County Council shopper service linking Toms Lane and Station Road, Kings Langley and Abbots Langley with the supermarkets at the Dome roundabout, running once each weekday. It was previously a commercial route until March 2017 when the operator withdrew it. Members agreed a short trial period of an extension should be funded to enable District residents' access to a supermarket and a decision must be taken whether to continue.

2.35 The R8 in the District is currently run as a one-year trial for which the committee agreed a contribution of £2,400 but which costs £12,700 for a full year. The County Council has provided data on passenger numbers for the first 20 weeks and for January-February 2018. This indicates that:

- Average passenger numbers boarding in each direction in Three Rivers District (from Oualtine in Kings Langley to Sheepcot Lane in Watford) was 2.9 per journey, an average of 20 passengers per day on the whole route including Watford (but only 2.9 from Three Rivers fare stages).
- Subsidy cost per passenger varied between about £5.22 and £6.22 depending on the number of passengers.

2.36 This route is considered essential to link people with no car access to a supermarket. However, it can be seen that there are few of these people in Three Rivers District. The County Council comments that: "*The section in Watford generates a fair number of passengers on 3-4 days a week with a total of 114 passengers over the 12 days covered by the operator data. HCC therefore intend to continue serving this area*". This indicates that the County Council may be likely to continue the trial on the Watford side as a permanent route (but no decision has been made that this will happen, and if it did not, the section in the District could not function so would have to be withdrawn).

2.37 It is considered that this is a valuable route serving a few people who are likely to rely on it. As there is such low demand in the Three Rivers District section of the route, it is difficult to justify the cost per trip.

2.38 An alternative option would be to consider combining this route with other irregular routes, such as the 319 which runs a similar route connecting Chipperfield with the Dome supermarkets (avoiding Abbots Langley, but serving Kings Langley) or the H19 which runs a shopper service with one journey twice a week from Abbots Langley to Hemel Hempstead. Members are asked to consider whether this would be preferable to continued support of the R8 as a discrete service. A further investigation could be requested from the County Council to provide advice on this.

### **3. Options/Reasons for Recommendation**

3.1 This report follows recent commercial decisions and on the basis of the 2015 Bus Services Review recommends the Committee to determine whether to increase support of public bus services to include new elements of the W19, 318 and R8 routes.

3.2 Due to the number of routes changing at present, and the lack of robust passenger data for each of these except the R8, each requires further

investigation before the tendering process. The R8 in particular could probably be better combined with other shopper services, two of which are available options open to HCC to assess, if contributions are intended to continue.

- 3.3 The 318 does not present an attractive option, particularly because this committee determined not to fund this previously, and for the same reasons, that the Better Buses fund was intended to develop new routes rather than to supplement routes where commercial contributions was withdrawn. Members are asked to consider the information at Appendix A.

#### 4. Policy/Budget Reference and Implications

- 4.1 The recommendations in this report are within the Council's agreed policy and budgets. There is no increased budget requirement and the relevant policy is contained within the Regulatory Services Plan in line with the Corporate Strategy. The relevant corporate policies are to provide a safe, healthy and high quality environment and reduce the eco-footprint of the District as set out in the Council's Strategic Plan (2017-20).

#### 5. Financial Implications

- 5.1 The District Council currently supports services on four routes at a cost an estimated cost for 2018/19 of £70,920.

Currently funded routes	Service times	2018/19 Estimated Contribution
R16/17	Full routes (3 journeys weekly)	£15,840
W19	Evenings (15 journeys weekly)	£33,660
W19	(Sundays, extension of route 8)	£8,720
R8	5 journeys weekly [one year trial]	£12,700 [if continued]
<b>Total</b>		<b>£70,920</b>
<b>Budget Available</b>		<b>£60,570</b>
<b>Shortfall</b>		<b>£10,350*</b>

\*The shortfall will be funded from underspend in the cycling strategy budget.

- 5.2 It is clear that not all these services can be supported from the existing budget. The committee must determine which of these could be further investigated. Some options including existing contributions are set out below:

Potential extra routes	Service times	Expected required contribution
W19	Early morning + early evening	£27,230
W19	Daytime shopper enhancement (every 30 mins)	£66,040
318 (option C)	Ten journeys weekly	£17,500
R8 [if continued]	5 journeys weekly	£12,700

- 5.3 There are no specific financial implications of investigating changes to the bus contracts that are currently supported by the District Council. It is proposed that the annual revenue budget remains unchanged to allow some flexibility in the development of bus services, should this be required over the next financial year.

6. **Legal Implications**

6.1 There are no specific legal implications of investigating changes to the bus contracts that are currently supported by the District Council. There may be contractual implications from any proposals developed out of the review.

7. **Equal Opportunities Implications**

7.1 **Relevance Test**

Has a relevance test been completed for Equality Impact?	No.	This consideration forms part of the HCC contract.
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8. **Staffing Implications; Environmental Implications; Community Safety Implications; Public Health implications; Customer Services Centre Implications;**

8.1 There are no implications under these headings from investigating changes to the bus contracts that are currently supported by the District Council.

9. **Communications and Website Implications**

9.1 The website is likely to be used for any public consultation.

10. **Risk Management and Health & Safety Implications**

10.1 None specific.

10.2 The Council has agreed its risk management strategy which can be found on the website at <http://www.threerivers.gov.uk>. In addition, the risks of the proposals in the report have also been assessed against the Council's duties under Health and Safety legislation relating to employees, visitors and persons affected by our operations. The risk management implications of this report are detailed below.

10.3 The subject of this report is covered by the Regulatory Services Plan. Any risks resulting from this report will be included in the risk register and, if necessary, managed within this plan.

10.4 There are no risks to the Council in agreeing the recommendation to continue with the additional bus contributions proposals, as these services are managed by Hertfordshire County Council which uses District Council contributions to supplement support; and these are non-statutory services. Should any further developments be proposed following negotiation with the Hertfordshire County Council and bus operators under the recommendations, this would require a further assessment of risks.

11. **Recommendation**

That the Committee delegates authority to the Director, DCES, in consultation with the Lead Member for Housing, Planning and Strategic Schemes and the Lead Member for Economic Development, Sustainability and Transport, to negotiate with the County Council over provision of a contribution for additional services to replace commercially discontinued services on:

- a) Route W19 to either:
  - i. not replace the commercially discontinued services; or

- ii. replace the enhancement to 'shopper' services (extra bus every half hour, 25 journeys per week) at an estimated cost of £66,040; or
  - iii. replace services to make commuting feasible (three services a day, one early morning before 7am and two early evening returning from Watford between 3.30pm and 6.30pm) at an estimated cost of £27,230; or
  - iv. create a combination of (i) and (ii) above, to a total of £93,270.
- b) Route 318 to either:
- i. not replace the commercially discontinued services; or
  - ii. replace the commercially discontinued 318 services in the form of option C in the table in Appendix A at an estimated cost of £17,500.
- c) Route 8 to either:
- i. not replace the commercially discontinued services; or
  - ii. replace the commercially discontinued services, to provide one return journey each weekday at an estimated contribution of £12,700; or
  - iii. to request HCC to investigate combining this service with another infrequent shopper service running nearby and serving similar streets, with a decision on this to be agreed by the Director, DCES as set out above.

Report prepared by: Peter Simons, Senior Transport Planner

### **Data Quality**

Data sources:

Data provided by contracted bus companies and Hertfordshire County Council.

Data checked by: Peter Simons

Data rating:

1	Poor	
2	Sufficient	✓
3	High	

### **Background Papers**

None.

### **Appendices**

#### **Appendix A – HCC estimates of costs for 318 options**

## Appendix A – HCC estimates of costs for 318 options

Option	Route	Estimated figures – per annum			Position in VFM table (out of 58 VFM contracts)	Number of lower scoring services affected by additional cost burden	Possible cost per passenger journey
		Cost	Revenue	Net cost			
1	Hemel Hempstead – Kings Langley – Abbots Langley, an hourly all day service (including peaks) Mon-Fri plus Sat	£142,500	£39,100	£103,400	54	5	~£4
2	Hemel Hempstead – Kings Langley – Abbots Langley, an off-peak only service Mon-Fri plus Sat	£72,500	£23,400	£49,100	52	4	~£3.30
3	Abbots Langley – Kings Langley, two return journeys Mon-Fri only	£30,000	£12,500	£17,500	48	1	~£2