



Proposed changes to subsidised bus services and to the Dial-a-Ride service in Oxfordshire

Public consultation document

Overview

Oxfordshire County Council would like your views on its service change proposals for subsidised bus services and Dial-a-Ride.

The council needs to save more than £6 million on supported transport services. We can save money by running existing services more efficiently, however that is not enough. Savings will also have to come from reducing the current £4 million a year the council pays in bus subsidies and to run the Dial-a-Ride service.

Currently Oxfordshire County Council subsidises over 100 bus services in Oxfordshire, which makes up around 9% of the bus network. This means that more than nine out of ten services run without any public subsidy.

The proposals in this consultation will affect some bus users and all Dial-a-Ride users. Read the consultation document and complete the [online feedback form](#) to register your views.

Find out if a bus service on a route you use may be affected using the online map [here](#) or download the full table of routes listed in Annex X (at www.oxfordshire.gov.uk/stconsultation).

Why is the council making savings?

Ongoing cuts in central government funding mean Oxfordshire County Council has to make savings.

We are currently in the process of making approximately £290 million of savings. Those savings began in 2010 and run until 2018. On top of those savings, we believe we may need to save a further £60 million. These calculations are based on the Government's broad savings targets across the public sector for the new parliament.

We have already made £204 million in savings since 2010 and are continuing to work hard to hold down costs and find new ways of working as the money we get from the government is reduced, whilst demand for our services increases.

We will learn more specifics about how much local government in general and Oxfordshire County Council in particular will need to save following the Chancellor's July budget, the Government's Comprehensive Spending Review and the local government settlement in late 2015.

Supported Transport Savings

As part of our budget setting process in February 2015, councillors reduced the overall supported transport budget by a fifth (£6.3 million). At this meeting the minimum amount of savings required from non-statutory service change proposals was set at £2.6 million.

As far as possible, we are trying to make savings in supported transport by running services more efficiently. We have identified that we can achieve nearly £3.7 million in savings by bringing together all the supported transport services we operate and fund. However, this is not enough.

Oxfordshire County Council needs to find a minimum of £2.6 million in additional savings and this means looking at supported transport services which we are not required to provide by law. This will inevitably impact some people in the county. Proposals to achieve these non-statutory savings of at least £2.6 million from the supported transport budget are set out in this consultation.

Part 1: Proposals for subsidised bus services

What are subsidised bus services?

Oxfordshire County Council invites bus companies to bid for contracts to operate subsidised bus services on routes that are not served commercially. Currently we fund over 100 bus services in Oxfordshire, which makes up around 9% of the bus network. This means that more than nine out of ten services run without any public subsidy and are unaffected by the proposals in the consultation.

When a bus subsidy is provided, it can be for a number of different reasons:

- To provide an entire service
- To add extra stops on an existing service
- To add extra times or days on an existing service

Not all bus subsidies are provided by the council. Some are paid for by private developers as part of an agreement with the council to help support the local bus network when a new housing development is built. These are known as Section 106 or S106 agreements. As this funding is not the council's, services subsidised using only S106 funding are not included in the scope of this consultation. We have listed which services are S106 funded in the results table in Annex Y.

Excluding S106 funding, the council spends £3.7m per year on subsidising bus services that are not provided commercially.

To minimise the impact of these proposals, we are already working with bus companies to see whether they would be able to continue operating some bus services without a subsidy. We are also working with the 62 'community transport' volunteer schemes that deliver transport services across Oxfordshire, encouraging them to fill potential service gaps that may arise as a result of these proposed changes.

What is the council's legal duty on bus subsidies?

A detailed explanation of the council's legal duties regarding subsidised bus services can be found in **Annex V** (see www.oxfordshire.gov.uk/stconsultation).

In summary the council's legal duty on subsidised buses is to:

- 1) Identify public transport requirements which would not otherwise be met
- 2) Once identified, secure appropriate services. As part of this process, councils may take into account the funds that are available to them. The council is not obliged to subsidise services.

We are also required by law to:

- have regard to the transport needs of members of the public who are elderly or disabled;
- cooperate with other authorities exercising/performing the same function;
- cooperate with other local authorities regarding school and social care transport, so as to ensure best value for money for these services when taken as a whole;
- have regard to the interests of the public and of providers of public passenger transport services.

Current bus funding

Bus operators currently receive £4.1 million per year to run services on routes that they may not run if no subsidy was available. With S106 income (property developer contributions) subtracted, taxpayers spend £3.7 million a year to run or part run uneconomical bus services.

Consultation options

Oxfordshire County Council's decision-making Cabinet has asked for the consultation to explore two proposed options and these are explained below.

Option 1: withdraw all bus subsidies

This proposal will affect 100 bus services across Oxfordshire, approximately 9% of the Oxfordshire bus network. The changes to each subsidised bus service will vary and in some cases this could simply mean one or two stops are removed and in other cases a greater impact would be felt.

Find out if and how a bus service on a route you use may be affected by using the online map [here](#) or download the full table of routes here (please see Annex X at www.oxfordshire.gov.uk/stconsultation).

If this option is agreed, the proposed changes would come into effect as existing contracts with commercial bus operators' end. All bus subsidies under this option would be fully withdrawn by the end of this financial year. This Option would save the Council approximately £3.7 million.

Option 2: reduce bus subsidies by £2.3 million (as demanded by current savings targets)

This proposal would affect only a proportion of the 100 bus services across Oxfordshire supported in some way by a council bus subsidy.

Again, changes to each subsidised bus service will vary and in some cases this could simply mean one or two stops are removed and in other cases a greater impact would be felt. Overall, the impact of this proposal would be less than in option 1.

Find out if and how a bus service on a route you use may be affected by using the online map [here](#) or download the full table of routes here (please see Annex Y at www.oxfordshire.gov.uk/stconsultation).

If this option is agreed, the proposed changes would come into effect as existing contracts with commercial bus operators' end. All bus subsidies under this option would be fully withdrawn by the end of this financial year.

Although the required saving in 'Option 2' is £2.3m, this figure may be reduced depending on the final amount of savings that accrue from the annual review of bus subsidies undertaken earlier in 2015. Annual reviews of bus subsidies take place every year in all parts of the country and have done since bus services were de-regulated in the mid-1980s. They take place irrespective of the general financial backdrop.

If this proposal was adopted, we would continue to review bus subsidies on subsidised bus services as is currently the case, and it is likely that we need to look again at the funding for bus subsidies in the future.

'Option 2' – The three potential approaches for reducing subsidies

In developing this service change proposal we needed to consider principles that would guide future bus subsidies prioritisation. We considered three different ways we could prioritise bus services and reduce funding, and these are:

1. Fund services that are most likely to be used by older and disabled people

If a decision is made by the Cabinet to choose Option 2 (to reduce bus subsidies by £2.3m) the council's preferred proposal is to use any remaining subsidised bus budget to fund services that are most likely to be used by older and disabled people with free bus passes to travel off-peak. We are proposing this approach because it:

Provides a safety net - While all our subsidies support bus services which are important to the communities they serve, the council's first duty is to protect our most vulnerable public transport users. This is part of our overall corporate commitment to provide a 'safety net' of support and resources for our most vulnerable residents.

Makes your money go further - Off-peak services are less likely to be run commercially by operators, given the relatively low number of people that use them.

However, they are also often cheaper to subsidise than other services, as they run at times when operators have spare vehicles available.

Protects more services - Prioritising off-peak services protects more services than some of the other options we've considered in the two alternative approaches below. This is because their lower costs mean that more services/service enhancements can be retained with the same amount of funding (see below for more details).

We therefore propose to adopt the principle of, as far as possible, protecting the off-peak services which tend to be used by older people and people with disabilities when reducing bus subsidies by £2.3m.

2. Prioritise bus services running at 'peak' hours during weekdays (06:30-09:30 in the morning, and 16:00-19:00 in the evening)

In contrast to off peak services, peak hour services are usually far more expensive in terms of their total contract cost because their provision often requires purchase of additional vehicles by operators. In addition, peak hour services are more likely to become commercialised in the event that a subsidy is removed (although this is by no means guaranteed) because they run at times and along routes which are often extremely popular and well used by local residents.

3. Prioritise bus services running in the evening and at the weekend (which are commonly used by people to access leisure activities)

Services running in the evening and at the weekend are commonly used by people to access leisure or social activities. It is proposed that these are withdrawn in order to prioritise resources to pay for services to allow vulnerable people to travel to vital facilities such as shops and healthcare on weekdays.

How would these proposed service changes in options 1 and 2 affect my bus route?

Option 1: withdraw all bus subsidies

Annex X provides a table of all subsidised bus services which would stop receiving a subsidy under this option. It also shows which services are only partially subsidised, and which parts of the route the subsidy is provided for so that people can see exactly which part of their route is affected by the option.

If we withdraw all bus subsidies, it does not necessarily mean that all subsidised routes, stops or times will automatically cease being provided (although inevitably there will be an impact).

We will work with bus operators to encourage them to continue providing subsidised services on a purely commercial basis i.e. without receiving any public funding.

We will also work with the community transport sector in Oxfordshire to help them to meet gaps in the commercial transport network, including providing them with funding to get schemes going (further details provided below).

Option 2: reduce bus subsidies by £2.3 million by prioritising off-peak services

Annex Y provides a table of all subsidised bus services in order of their priority, using the councils preferred approach of making savings by prioritising off-peak services along with our additional criteria (see details on alternative principles below). It also shows which bus services are only partially subsidised, and which parts of the route the subsidy is provided for so that people can see exactly which part of their journey is affected by the proposal.

This table helps people to see which bus services we will prioritise when it comes to spending any remaining budget and negotiating with bus companies. It's not, however, a definitive list of which bus services will and won't be subsidised in the future under this option. The true impact of reducing our subsidies in this way will not be fully known until we've had detailed conversations with bus operators about what they can continue providing with the remaining funds available.

Through negotiations with bus operators we will aim to get the best possible deal for Oxfordshire with the money we have left. In some instances, getting the best deal for Oxfordshire might involve making changes to higher priority services as well, e.g. by reducing their frequency, so that the money saved can be used to maintain coverage elsewhere.

Annex Z provides a more detailed version of the same table, including full results of the analysis.

Throughout and following changes to subsidised bus routes we propose to assess any unexpected impact on commercial routes which cannot be predicted at this stage, in order to monitor for potential adverse impacts.

Minimising the impact – bus operators

To minimise the impact of these proposals, we are already working with bus companies to see whether they would be able to continue operating some bus services without a subsidy.

In addition, if there is an economic case to continue subsidising a service that is integral to a busy home to school route - we will likely continue to subsidise that service during the relevant time periods.

Minimising the impact - supporting community transport

We are also engaging with the 62 'community transport' voluntary sector schemes who deliver transport services across Oxfordshire to support and encourage them to address potential service gaps if they are in a position to do so.

In particular, where bus operators are unable to run services commercially we will look to the community transport sector to set-up schemes that address any unmet transport needs resulting from reduced funding.

We will be offering one-off pump-prime funding to the sector to help dial-a-ride schemes get off the ground. We also have a whole package of support which we can offer to groups within the sector including start up grants. We are already working with rural organisations to support groups wishing to increase their capacity and we are planning to lead a community transport public awareness campaign to encourage understanding of and support for this important sector.

Part 2: Proposals to change Dial-a-Ride

Who uses the Dial a Ride service?

Dial-a-Ride is the other 'non-statutory' supported transport service the council currently provides. It is a door-to-door service for those who have poor mobility and are unable to use, or do not have access to conventional public transport.

The drivers of the vehicles are trained to help passengers with poor mobility. The service, currently operated by our Integrated Transport Service between 9am to 5pm, has to be booked in advance and cannot be used for medical appointments.

Currently 238 people across Oxfordshire use the Dial-a-Ride as a regularly scheduled service. The majority of these service users hold concessionary bus passes, and of those who are able to walk, just fewer than 75% are within 400m walking distance of a bus stop.

Many of the Dial-a-Ride users classed as 'walkers' would be able to travel using public transport if necessary, and historically Dial-a-Ride eligibility criteria haven't been applied or enforced.

Dial- a-Ride users pay an annual subscription fee of £5. This contrasts with people going to council day centres, who have to pay £5 per journey. In light of this inconsistency, as well as the fact that the service uses specialist transport resources which arguably would be better allocated towards higher need Special Educational Need (SEN) users travelling to school, we think a new approach is needed.

Our proposal

Oxfordshire County Council will no longer be able to afford to fund Dial-a-Ride as a council provided service from the end of this financial year. However we will work with voluntary groups to encourage voluntary sector involvement in running Dial-a-Ride services (with initial start-up support from the council).

Our proposal is to work with community transport groups across the county to try and develop schemes which can meet similar needs to those which Dial-a-Ride currently serves.

In Oxford, Aspire, an award-winning charity and social enterprise was earlier this year given a start-up grant to deliver Dial-a-Ride in the city. Oxfordshire County Council supported the organisation to get the service up and running to ensure a smooth and seamless transition for customers, with a view to Aspire making it a sustainable long-term service in the future.

We will look to extend this arrangement to other parts of the county. The funding we will offer to a Voluntary and Community Sector organisation to start delivering a local Dial-a-Ride service will be one off 'pump prime' funding to set up or to extend an existing scheme.

Have your say

Understanding your views, opinions and preferences is key to our decision making process.

Read the consultation document and supporting information and **please complete the online form at www.oxfordshire.gov.uk/stconsultation**. The deadline for your response is 14th September 2015. If you require a hard copy of the consultation document please contact the council by telephone on 01865 328113 or email Supported.Transport@Oxfordshire.gov.uk.

Come to a public meeting to hear more about our proposals and tell us what you think. Meetings are open to everyone and are being held on:

- Mon 6 July in Banbury Town Hall, Banbury - 10.30am-12.00pm
- Mon 6 July in Didcot Civic Hall, Didcot - 16.00pm-17.30pm
- Tues 7 July in Witney Methodist Church, Witney - 10.30am-12.00pm
- Weds 8 July in Abingdon Guildhall, Abingdon - 16.00pm-17.30pm
- Weds 8 July in OCC County Hall, Oxford - 19.00pm-20.30pm

All public meetings will be independently facilitated by the Oxfordshire Rural Community Council (ORCC). The ORCC are an important advisor to the Council and a long-time supporter and advisor to existing community transport schemes.

Oxfordshire County Council have asked that the Oxfordshire Rural Community Council (ORCC), a not for profit, community development organisation are the independent facilitator during the consultation. If you need support in commenting on the county council's proposals or are interested in attending one of our events, please get in touch with the Oxfordshire Rural Community Council on 01865 883488 or email orcc@oxonrcc.org.uk.

Supporting information

We have produced some frequently asked questions about subsidised buses and the Dial-a-Ride service to accompany this consultation. We have also undertaken a draft Service and Community Impact Assessment (SCIA) to understand how the changes we have proposed will affect different groups of people in the community. The SCIA will be reviewed following the proposed consultation. Supporting information and the draft SCIA is available on the county council's website www.oxfordshire.gov.uk/stconsultation

What happens next?

All consultation responses received by the closing date will be collated and analysed. The results of the consultation will be reported to Cabinet following the end of this consultation period.

Councillors will weigh the views expressed in the consultation against a wide number of other factors when making decisions including statutory requirements, government guidance, cost, risk, demography and other issues captured as part of the council's service and community impact assessment process. In light of all the evidence presented to them, Cabinet will decide whether or not to take the proposed changes forward.

Understanding our Methodology

The following section provides a short summary of the approach taken when prioritising bus subsidies under 'Option 2'. Full details of this methodology can be found in Annex W at www.oxfordshire.gov.uk/stconsultation

We followed a strict methodical process to calculate which bus subsidies are 'best value for money', and which are 'worst value'. 'Value for money' is judged upon how many addresses are served by a subsidised bus, where an address has no commercial alternative.

The results provide a ranking of all subsidised bus services. The ranking is based on the cost of each subsidy to the council, compared to how many unique addresses it is enabling the bus network to serve.

This entire process was repeated three times to prioritise services at different times of day (time band), allowing evaluation of potential impacts on different types of bus user.

Option 2 in this document refers to the results of the analysis for the daytime off-peak time band. The alternatives analysed were services running at peak hours during weekdays, and services running in the evening and at the weekend.

Bus timetables are never static, and subsidies undergo routine reviews. The bus subsidy and timetable data analysed was the most up-to-date version available at the time of the analysis.

Understanding the results tables

By ranking the bus services, each service can be given a Risk Category, ranging from 'very low' to 'very high'. This signifies how the council will prioritise any future bus subsidy budget. The results are presented in **Annex Y** and **Annex Z**.

Full information and column definitions can be found within the annexes themselves, but a brief summary has been provided below.

Annex Y – ‘Option 2’ Services Affected

Annex Y gives a simple table of results for ‘Option 2’.

The Operator, Service Number, and Service Description columns identify the bus service. The risk column indicates how services will be prioritised. The Subsidy Description column explains which part of the service the subsidy supports, and hence which part is potentially at risk. Parts of the service that are not subsidised are operated commercially.

Annex Z – ‘Option 2’ Full Ranking Tables

Annex Z gives a detailed table of **results for each of the three time bands**.

As well as the columns from the simple table described above, it introduces some more detailed columns.

- The Contract Type indicates how the service is subsidised.
- The Address Score shows the number of addresses served by each service during the specified time band.
- The Exemption Reason gives details of any services that are listed as Exempt from the analysis.
- The Cost Per Stop Visit is an indicator of subsidy cost. It is described in the full methodology.
- The Cost Index is the index from which the services are ranked. The lower the number, the better value for money the service is deemed to be, and hence the lower the risk.

Consultation response form

- Please go to www.oxfordshire.gov.uk/stconsultation to complete your consultation response online. Alternatively please find a copy that can be printed out and posted back to us below. Please read each question carefully and tick a box which most closely matches your personal opinion or complete the text boxes provided. The closing date to return your questionnaire is **14th September 2015**. All the opinions you express and any information you give will be treated confidentially.

Questionnaire for the consultation on subsidised buses and Dial-a-Ride

Oxfordshire County Council is consulting on proposed changes to subsidised bus services and to the Dial a Ride service in Oxfordshire. Copies of the consultation documents are available online at www.oxfordshire.gov.uk/stconsultation

The minimum amount of the overall savings needed from our proposals has been agreed as part of the council's budget setting process in February 2015. Following from this budget settlement in February, the Council are increasingly aware that we may need to find further savings as a consequence of new central government budget reductions. Any further reductions will determine what bus subsidies will eventually have to be reduced by or whether they will need to be withdrawn altogether.

Now we would like to hear your views about services change proposals for:

Subsidised buses

- **Option 1:** withdraw all bus subsidies
- **Option 2:** reduce bus subsidies by £2.3m (as required under current savings' targets).

Dial-a-Ride

- Work with community transport groups across the county to try and develop schemes which can meet similar needs to those which Dial-a-Ride currently serves and to stop funding Dial-a-Ride.

Outlined on the following pages are:

- questions about your use of these services
- details of the proposal for your comment
