



COMMUNITY COUNCIL LIAISON SUB-COMMITTEE - 21ST JULY 2004

SUBJECT: LOCAL BUS SERVICES IN CAERPHILLY COUNTY BOROUGH

REPORT BY: DIRECTOR OF THE ENVIRONMENT

1. BACKGROUND

- 1.1 The 1985 Transport Act deregulated the provision of bus services, giving bus operators the freedom to provide services (timetables, routes and fares), without influence or interference by local authorities. They only provide services that are profitable and in Caerphilly, it is estimated that about 80% of the network is provided on this basis.
- 1.2 The Council provides bus services that operators cannot provide commercially. These are mainly evening, Sunday and more rural services that compliment the commercially provided bus network. The Council cannot subsidise services that impact on and have the potential to abstract from the commercial bus network. Subsidised services are operated under contract to the Council and generally awarded under competitive tendering.
- 1.3 Since deregulation, Caerphilly has taken over the co-ordination role previously undertaken by the county councils before local government reorganisation and has continued the policy of maintaining as much of the pre deregulation bus network (i.e. services that existed prior to the implementation of the 1985 Transport Act) that can be afforded. In the current financial year, the county borough has a budget of £640,870 for subsidising bus services, compared to a budget of £377,500 in the first year of its inception in 1996/97. This is supplemented by LTSG (Local Transport Services Grant) funding from the Welsh Assembly, which amounts to £398,545 during this financial year. Total patronage on all subsidised services in Caerphilly county borough is around 1.16 million.
- 1.4 Evening services cost about 46% of the gross budget to maintain and account for about 35% of passengers carried on subsidised routes. The withdrawal of the last commercially provided evening routes in recent years has led to the current situation where every evening bus service in the county borough receives a subsidy. Costs for procuring this work in particular have risen dramatically because in addition to the usual cost pressures operators face (improved wages and conditions, increasing insurance costs), anti social behaviour (including missiles being thrown at buses, drivers being abused and attacked) has made it increasingly difficult for operators to supply drivers to operate the services.

2. BUS NETWORK

- 2.1 The recent Steer Davies Gleave report on Community Transport, commissioned by GAVO and Caerphilly CBC, looked at bus service provision and concluded that during the daytime, 85 - 88% of the population have access to facilities (including hospitals, leisure, clinics, surgeries, colleges and adult education), which dropped typically by only 5 - 6% during the evening.

2.2 The bus network has expanded in the county borough since the Assembly introduced the Local Transport Services Grant, with an emphasis on providing routes that compliment the commercial bus network and provide new journey opportunities. Examples of these services are:-

Service 3 (Bargoed to Merthyr via Brithdir, Abertysswg and Prince Charles Hospital).
Service 8 (Blackwood to Grove Park).
Service X18 (Ebbw Vale to Newport via Newbridge, West End, Risca & Royal Gwent).
Service RL5 (Blackwood to Ystrad Mynach Rail Link).

2.3 In recent years, it has been evident throughout the country that bus operating companies, facing increasing operating costs against a general decline in patronage, have found it more difficult to maintain more marginal services, which do not form part of the trunk route network. In the past two years in the county borough, this has resulted in changes to bus services in Caerphilly town, Ty Sign and more recently the Upper Rhymney valley, where services have reduced, although not to below the level of service provided prior to deregulation.

2.4 The Upper Rhymney Valley is one of the areas of concern identified by the Community Council representatives. Recent increases in operating costs caused Stagecoach to look at the viability of the network it provides in the area. The company has made a number of changes, to ensure the long term viability of the three main trunk routes operating between Bargoed and Merthyr. Despite the introduction of the free concessionary travel scheme, the actual revenue taken on the network was not insufficient to support the costs of providing it. The company therefore withdrew the additional journeys between Phillipstown and Bargoed that supplemented the hourly trunk route journeys and provided a half hourly frequency for part of the day. In addition it curtailed service 4, operating between Tredegar and Bargoed via Fochriw and Deri to terminate at Pontlottyn, leaving the Darran Valley with only the hourly service 1 between Bargoed and Merthyr. The council has explored the potential of reinstating some of the withdrawn journeys with Stagecoach, but the costs involved are well in excess of the available funding.

2.5 Whilst the Council has powers under the 1985 Transport Act to fund services that are not commercially provided, funding for daytime bus services is generally directed towards filling gaps in the network where otherwise no bus service would exist, rather than enhancing frequencies on existing routes. The 1985 Act also places constraints upon local authorities that prevent it subsidising services with an alternative operator that impact on and have the potential to abstract from commercially provided journeys by an existing operator.

2.6 The Community Council representatives have also expressed concerns about the level of service provision in the Sirhowy Valley, but without more information it is difficult to respond to this.

3. THE WAY FORWARD

3.1 Caerphilly's Local Bus Strategy notes that to ensure the continuation of a strong locally based bus network in all areas, additional revenue sources need to be found. This compliments the Regional Passenger Transport Strategy which identifies enhanced strategic bus services which integrate with more local services and existing rail services. However, enhanced services require additional funding well in excess of that currently available to the Council and may also require legislative changes to overcome the restraints of working under the 1985 Transport Act. The Assembly is supportive of the aspirations contained in the Local and Regional Strategies and there is a realisation that it will have to commit substantial additional funds to deliver the service improvements envisaged.

3.2 Provision may be more efficiently met in certain areas through alternative forms of transport (e.g. demand responsive or community based) and the Passenger Transport Section is working with GAVO, the Healthy Living team, Social Services, the Development Officer for

Older People and others to introduce a pilot Community transport scheme for the Upper Rhymney Valley. A new accessible minibus has been ordered and due for delivery by September and consultation will begin shortly with Community based groups to identify demands and methods of operation. A new Community Transport Co-ordinator post is being established to oversee this project and to identify opportunities for improved mobility/accessibility for residents and have the responsibility for co-ordinating between conventional and community based transport schemes to achieve new and innovative solutions. This will include the establishment of a Community Transport forum. If the pilot is successful, similar projects are envisaged throughout the county borough to compliment public transport services and provide a more comprehensive transport network for residents.