

<b>SUSTAINABLE GROWTH AND ENVIRONMENTAL CAPITAL SCRUTINY COMMITTEE</b>	<b>Agenda Item No. 3</b>
<b>11 JULY 2013</b>	<b>Public Report</b>

## Report of the Executive Director of Operations

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### **RESPONSE TO CALL- IN OF THE DECISION MADE BY CABINET AND PUBLISHED ON 1 JULY 2013, REGARDING PASSENGER TRANSPORT SUBSIDISED SERVICES -**

#### **1. PURPOSE**

- 1.1 To respond to the call-in request submitted by Councillors Shearman and Sylvester regarding the Cabinet decision to approve changes to the passenger transport services within the Peterborough Authority area

#### **2. RECOMMENDATIONS**

- 2.1 That the Scrutiny Committee considers the call-in request and the responses set out in this report.

#### **3. BACKGROUND**

- 3.1 A Full Council decision on 6 March 2013 was made to reduce the budget for passenger transport subsidised services from approximately £1,100,000 to an indicative budget figure of £600,000 in the Medium Term Financial Strategy.

Following an independent assessment and subsequent discussions with current service providers it was determined that the cost of maintaining these services could increase by up to £800,000. This means the Council would need to spend at least £1,900,000 to maintain the existing level of subsidised passenger transport services.

This means that an approximate reduction of £1,300,000 is required to ensure that the budgetary target set by Full Council is met.

Following a 4 month review period the Cabinet agreed a series of recommendations concerning the level of subsidised passenger transport services including the discontinuation of all funding for Local Link services from 1<sup>st</sup> October 2013.

#### **3.2 *Cabinet considered the following recommendations, to:***

- *Continue to fund the existing Demand Responsive Transport services at current levels of subsidy of £180,000 and to increase the investment in Demand Responsive Transport Services*
- *Invest £220,000 in expanding the Demand Responsive Transport service available to residents in Peterborough*
- *Reduce the Voluntary Partnership Agreement funding with Stagecoach to £200,000*
- *Invest any savings below the £220,000 budgeted for the expanded Demand Responsive Transport service into additional evening services provided within the Voluntary Partnership Agreement*

- *Discontinue all the funding for Local Link services*
- *Discontinue all the funding to some daytime services on the Kimes 9 service*
- *Discontinue all funding to some daytime services on Stagecoach route 24*
- *Discontinue all funding to some Sunday services on Stagecoach route 37*
- *Discontinue all funding for the LUXECAB service*

Cabinet received a report to consider and determine the service provision that would meet the indicative budgetary requirement of £600,000 for subsidised passenger transport services as allocated in the Medium Term Financial Strategy.

## 3.3

**Cabinet Considered the Report and Resolved to:**

1. Continue to fund the existing Demand Responsive Transport services at current levels of subsidy of £180,000 and to increase the investment in Demand Responsive Transport Services;
2. Invest £220,000 in expanding the Demand Responsive Transport service available to residents in Peterborough;
3. Reduce the Voluntary Partnership Agreement funding with Stagecoach to £200,000;
4. Invest any savings below the £220,000 budgeted for the expanded Demand Responsive Transport service into additional evening services provided within the Voluntary Partnership Agreement;
5. Discontinue all the funding for Local Link services;
6. Discontinue all the funding to some daytime services on the Kimes 9 service;
7. Discontinue all funding to some daytime services on Stagecoach route 24;
8. Discontinue all funding to some Sunday services on Stagecoach route 37; and
9. Discontinue all funding for the Luxecabs service.

## 3.4

**Reasons for the Cabinet Decision:***Current Demand Responsive Transport (DRT) – retained*

There is a need to retain the current demand responsive services as these operate where no other passenger transport service exists and also some accommodate travel for those who cannot use other public transport services (for example as they have mobility difficulties).

*Voluntary Partnership Agreement – reduced from £290,000 to £200,000*

It was not possible to mitigate all current evening services that are subsidised through demand responsive transport service so £200,000 was retained for this. Many people rely on these services to travel to work and stated in on-board surveys that they have no alternative means of travelling.

*Local Link Services (400 Series) – discontinued*

Most residents in the urban areas of Peterborough are in walking distance to access other commercial services rather than the Local Link service. Those that are unable to walk the additional distance to alternative commercial services in the urban areas due to the discontinuation of the Local Link services may be eligible to access the other Demand Responsive Transport services.

*Local Link - discontinued and replaced by increased Demand Responsive Transport (DRT)*

DRT gives the best opportunity to mitigate the impacts identified in the Local Link Equality Impact Assessment by commissioning a bespoke service to target resources where the demand for travel is high. Timetabled services operate whether there is a demand for the service or not and replacing the Local Link service with DRT allows a bespoke service to try to target resources to meet the travelling needs of the public.

*Kimes 9 – funding for seven journeys discontinued*

There are 20 journeys on the Kimes 9 that are not currently subsidised by Peterborough City Council and it is hoped they would continue to run. The two Kimes 9 services that operate at a time suitable for school children was shown to be full during our on-bus surveys and it is hoped therefore that these would continue to operate.

*Luxecabs – discontinued*

Residents who use Luxecabs currently have access to an alternative high quality Demand Responsive Service designed for those with mobility issues to take them into Peterborough.

*Voluntary Partnership Agreement – reduced from £290,000 to £200,000*

The council subsidises some evening services on the Stagecoach 24 and on Sundays for the Stagecoach 37 and it is hoped that the other non subsidised journeys would continue. Through discussions with the operator it is believed that any reduction in the Stagecoach Citi evening service that may occur due to the reduction in subsidies would nonetheless offer a good level of service.

**Alternative Options Considered:**

3.5

The following alternatives were considered when making the recommendation outlined in this report:

1. Continuing with the existing service has been considered, however this was ruled out, as the budget for passenger transport subsidised services set out in the Medium Term Financial Strategy and agreed by Full Council on 6 March 2013 was insufficient to do so. Market testing and discussions with current operators was carried out to determine if this option was achievable through efficiencies provided by re-procuring services and the results categorically ruled this option out. Instead of an existing budget of £1,100,000, a budget up to £1,900,000 would be required to maintain the current service.
2. All of the subsidised services were reviewed and different scenarios and options of which services to retain have been considered within this exercise. The findings of the Equality Impact Assessments were considered and the alternative service options were deemed to offer a reduced potential for mitigating the effects of reducing the overall service provision.
3. The advice from the Cross Party Advisory Group was considered (5.1 of the Cabinet Report dated 1<sup>st</sup> July 2013) however the overall recommendation was ruled out as it exceeded the budget available for passenger transport subsidised services as set out in

the Medium Term Financial Strategy.

4. To subsidise none of the current services provided by the Council was considered however this was ruled out following the impacts identified in the Equality Impact Assessments.

#### **4. KEY ISSUES**

##### **4.1 Call-in Request:**

This decision has been called in by Cllrs Shearman and Sylvester: The Reasons for the call-in request are that the decision did not:

Reason 1:

(a) Realistically consider all alternatives and, where reasonably possible, consider the views of the public;

Specifically:

- (i) There appears to be no consideration given to the re-routing of bus routes to ensure vulnerable communities do not lose their bus routes (e.g. in Ravensthorpe area and also along Garton End Road)
- (ii) Contact has been made with us by a number of members of the public stating they had no idea that their bus route (particularly 406) was vulnerable to these reductions in service.

and;

Reason 2:

(b) Act for a proper purpose and in the interests of the public; Specifically

- (i) It is not in the interests of vulnerable members of the public – particularly the elderly – to have their bus route (particularly route 406) WITHDRAWN. This route in particular provides a lifeline for many of these residents and to walk to the nearest retained route is for these people both unrealistic and uncaring.

#### **5 RESPONDING TO THE CALL-IN REQUEST:**

##### **5.1 Reason 1:**

(a) Realistically consider all alternatives and, where reasonably possible, consider the views of the public;

Specifically:

- (i) There appears to be no consideration given to the re-routing of bus routes to ensure vulnerable communities do not lose their bus routes (e.g. in Ravensthorpe area and also along Garton End Road)
- (ii) Contact has been made with us by a number of members of the public stating they had no idea that their bus route (particularly 406) was vulnerable to these reductions in service.

##### **5.2 Considering the Views of the Public**

The following consultation exercises were undertaken whereby the public were asked to give their views and Councillors were given numerous opportunities to represent the public:

1. The Medium Term Financial Strategy Consultation Document outlined the services at risk because of the reduction in the budget to £600,000 for passenger transport subsidised services.

Outcome: Medium Term Financial Strategy budget of £600,000 for passenger transport subsidised services was approved at Full Council on the 6 March 2013.

2. The Medium Term Financial Strategy Consultation covered a wide range of organisations, special interest groups and meetings including a joint Neighbourhood Committee and Scrutiny Committees.

Outcome: The Medium Term Financial Strategy was approved on the 6 March 2013.

3. All City Council Councillors were written to, and offered a bespoke session, to discuss which services within Peterborough, and specifically their ward, were at risk as part of this review of subsidised services.

Outcome: Meetings held with all Councillors who requested a bespoke session.

4. The Scrutiny Commission for Rural Communities requested and received a presentation on services that operated in rural Peterborough and which subsidised services were at risk on the 26 March 2013.

Outcome: Minutes of a Meeting of the Scrutiny Commission for Rural Communities on the 26th March 2013 outline the outcome of this meeting.

5. Transport Forum (open to the public) and organised by Peterborough Environment City Trust was held at the John Clare Theatre on the 19 February 2013. Officers gave a presentation and a discussion took place regarding the subsidised passenger transport review.

Outcome: An open discussion took place discussing the positive contribution that subsidised services made to Peterborough and a general consensus was that reducing the budget available to passenger transport services was undesirable.

6. A Cross Party Advisory Group was set up by the Cabinet Member to discuss the review and to make recommendations regarding which subsidised services should continue to receive funding within the agreed budgetary provision of £600,000. The group met on the following dates:

- 13 May 2013
- 20 May 2013
- 21 May 2013
- 29 May 2013

Outcome: The group held a series of meetings and considered the following issues and information:

- Equality Impact Assessments for all service options
- Bus Service Review for Local Link services
- Current and projected costs to retain current provision of services
- Presentations from:
  - Stagecoach (all their subsidised services)
  - Atkins (Equality Impact Assessments and Bus Service Review for Local Link services)
  - Centrebus (Kimes 9)

- Support and advice from Passenger Focus

The group recommended areas where savings could be made. However, they requested that Cabinet be informed that this decision was difficult as they recognised the importance and benefits associated with all of the services subsidised by the Council.

5.3

### **Consideration Given to the Re-routing of Local Link Services**

A number of alternatives were considered as stated earlier in this report. The Cross Party Advisory Group was presented with the finding of the Peterborough Supported Bus Network Review (which was included in the background documents of the Cabinet report). This review looked at a number of options for the operation of the Local Link services. Given the budgetary constraints the only option which was affordable for consideration and accepted by the Cross Party Advisory Group was the operation called the “three bus option”. This option would have cost approximately £400,000 and was included in the Cross Party Advisory Group recommendation.

The Cross Party Advisory Group recommendation would have cost £780,000 and was therefore unaffordable given the budgetary constraint of an indicative figure of £600,000, and therefore not included in the recommendations to Cabinet.

5.4

### **Reason 2:**

(b) Act for a proper purpose and in the interests of the public; Specifically

- (ii) It is not in the interests of vulnerable members of the public – particularly the elderly – to have their bus route (particularly route 406) WITHDRAWN. This route in particular provides a lifeline for many of these residents and to walk to the nearest retained route is for these people both unrealistic and uncaring.

5.5

### **Providing Services to Vulnerable Groups and Communities and Acting for a Proper Purpose and in the Interests of the Public**

A number of Equality Impact Assessments were carried out on those services that were at risk as a result of the review of passenger transport subsidised services.

The Equality Act 2010 (EA) enacts a public sector equality duty (PSED) which requires that in the exercise of its functions the Council must have due regard **to** the need to eliminate unlawful discrimination, harassment and victimisation and advance equality of opportunity and foster good relations between different groups and in particular those groups with protected characteristics, by

- Removing or minimising disadvantages suffered by people due to their protected characteristics
- Taking steps to meet the needs of people with certain protected characteristics where these are different from the needs of other people
- Encouraging people with certain protected characteristics to participate in public life or in other activities where their participation is disproportionately low

Equality Impact Assessment's were produced for all subsidised services that were under threat of reduced funding. The key information regarding the Equality Impact Assessments is shown below:

- These were produced independently by Atkins.
- Socio-demographic profiling for the areas potentially affected was compiled.

- In addition, on bus surveys were conducted.
- The information was assessed and a range of impacts were identified.
- The Equality Impact Assessment's suggested mitigation measures to try to minimise the impacts of subsidy withdrawal

5.6

The recommendations in the Cabinet report were made following the consideration of the outcomes of the Equality Impact Assessments carried out on those passenger transport services subsidised by the Council. All Equality Impact Assessments were included in the background documents listed in the Cabinet report and therefore due consideration was given to the interests of the public, particularly vulnerable groups and communities when making the decision on which subsidised passenger transport services would be provided by the Council. Section 3.4 of this report outlines the reasons for the recommendations that were submitted to and approved by Cabinet. A summary of the Equality Impact Assessments can be viewed in Annex 1 of this report.

5.7

### **Local Link 406 Service**

The decision made at Cabinet looked at the requirement for passenger transport subsidised services for all residents within Peterborough. The call in request however has made specific mention of the 406 Local Link service and therefore this section of the report will look at the 406 Local Link service in more detail.

### **Considering the Views of the Public**

The 406 Local Link service was specifically mentioned as being at risk in the following documents:

- The Medium Term Financial Strategy Consultation Document
- The Medium Term Financial Strategy Consultation

All City Council Councillors whose residents would be impacted by the loss of the 406 Local Link service were written to, and offered a bespoke session, to discuss which services within Peterborough, and specifically their ward, were at risk as part of this review of subsidised services.

The 406 Local Link service was included in presentations to The Scrutiny Commission for Rural Communities, the Transport Forum that was an open meeting for the public to attend and was considered by the Cross Party Advisory Group.

### **Consideration Given to the Re-routing of Local Link Services**

The Peterborough Supported Bus Network Review (which was included in the background documents of the Cabinet report) included the 406 Local Link service. This review looked at a number of options for the operation of the Local Link services. Given the budgetary constraints the only option which was affordable for consideration and accepted by the Cross Party Advisory Group was the operation called the "three bus option", the 406 local link services was included in this proposed operation.

### **Providing Services to Vulnerable Groups and Communities and Acting for a Proper Purpose and in the Interests of the Public**

An Equality Impact Assessment was carried out for all the Local Link services including the number 406. The Cabinet decision was made with due consideration of the information contained in this assessment.

The 406 covers a large area of the northern area of Peterborough including Werrington, Gunthorpe, Dogsthorpe, Longthorpe and Bretton (amongst others) and operates on a half

hourly basis during the day. It connects different areas with schools, medical centres, shopping, the city hospital and a range of other services.

The Equality Impact Assessment stated that the removal of the 406 would have a negative impact on older people as it would mean an increased walking distance for some users and that some areas served by the 406 have a higher proportion of older people than the local authority average.

It stated that continuation of the 406 should be considered or that ample Community/ Demand Responsive Transport should be in place to help mitigate against the impact of its withdrawal.

The cabinet decision included providing the residents that are impacted by the removal of the 406 Local Link service with an extended DRT service and has therefore considered and included the recommendation to mitigate the impacts outlined in the equality impact assessment.

## 6. CONCLUSION AND IMPLICATIONS

6.1 Given the evidence provided within this report it has been shown that there are no exceptional grounds to uphold this call-in request.

A range of alternatives were considered within the bus services review and assessed by the equality impact assessments, including re-routing some services. It has also been shown that public consultation was carried out and feedback taken into consideration.

It is correct that the Equality Impact Assessment showed that Local Link service 406 did have an increased effect on the elderly, although it was shown that it could be mitigated by the provision of Demand Responsive Transport Services.

It is therefore concluded that in making the decision the Cabinet acted in the proper interests of the public by taking the difficult decision to safeguard as many services as possible within budgetary constraints and to ensure that appropriate DRT services are developed to provide a flexible and demand driven alternative to those users that are most in need.

6.2 The implications remain as outlined in the report presented to Cabinet on 1<sup>st</sup> July 2013 attached at Appendix 2.

## 7. NEXT STEPS

7.1 After considering the request to call-in and all relevant advice, the Committee may either:

- (a) not agree to the request to call-in, when the decision shall take effect;
- (b) refer the decision back to the decision maker for reconsideration, setting out its concerns; or
- (c) refer the matter to full Council

## 8. BACKGROUND DOCUMENTS

Used to prepare this report, in accordance with the Local Government (Access to Information) Act 1985

8.1 Report to Cabinet dated 1<sup>st</sup> July 2013

## 9. APPENDICES

9.1 Annex 1 Equality Impact Assessment Summary  
Annex 2 Cabinet Report