

Accountancy and contract support for a community bus service

SUMMARY

- 1.1 Notts and Derby bus company are discontinuing their 35 bus service on 20 July 2018 following a review of their services.
- 1.2 The bus's, mainly elderly customers, are keen not to lose the service as many consider it to be a lifeline for local shopping, medical appointments and to reach the city centre.
- 1.3 Provided that funding can be provided from the local community, the City Council could agree to an arrangement with Notts and Derby for them to continue to provide the service. There is a commitment from the community to ensure the service is marketed to improve patronage.
- 1.4 No Council funding is being requested and there will be no financial risk to the Council. The Council has no budget to extend direct support for bus services.
- 1.5 The survival of the 35 bus service will be entirely dependent on being commercially sustained by passenger growth or public donations. If the passenger fares and community funding is insufficient to sustain the service it will be discontinued by the operator.

RECOMMENDATION

- 2.1 By virtue of its general power of competence under the Localism Act, to agree in principle, subject to agreement on the terms of a Memorandum of Understanding between the bus operator and the Council, that the Council accepts the funding raised by the local community specifically for the 35 bus service and pay to Notts and Derby from this fund.
- 2.2 To agree for the Council to support an urgent request by Notts and Derby, to the Traffic Commissioners, for the continuation of the current 35 bus service on condition that at least £1000 has been raised by the local community.

- 2.3 To delegate authority to the Strategic Director of Communities and Place, in consultation with the Cabinet Member for Communities, Neighbourhoods and Streetpride, to agree the final terms of the Memorandum of Understanding and any appropriate financial arrangements that need to be made to give effect to this delegation.

REASONS FOR RECOMMENDATION

- 3.1 The 35 bus is an important service for elderly and disabled people living in the area of Derby it covers. Loss of independence for elderly people can start a spiral into greater dependency and additional costs for more personalised support.
- 3.2 If the bus service has a gap in its provision it will be harder for it to regain patronage and for people to adapt to its return. The recommended approach will provide a period to allow the service to be promoted and see if it can be made commercially viable.
- 3.3 An urgent decision is required as the service is due to be terminated on July 20th. Notts and Derby will not register an extension of the service without confirmation that the Council is prepared to administer the community funding.

SUPPORTING INFORMATION

- 4.1 Notts and Derby bus company are discontinuing their 35 bus service on 20 July 2018 following a review of their services.
- 4.2 The service links Littleover and Mickleover district centres and covers a number of streets without alternative bus services including Bretton Avenue (Derby Homes bungalows) and Haven Baulk Lane. It also goes close to the Royal Derby Hospital and two doctors' surgeries.
- 4.3 Around 200 to 250 journeys are made per day on the three and a half round trips. 80% to 90% of passengers are using the older person's Gold Card. A neighbourhood survey of bus users indicated that many would struggle to reach an alternative service, with some using taxis, with increased costs and some people not travelling.
- 4.4 The Council has over the many years withdrawn direct support for bus services and relied on the operators to operate on a purely commercial basis. Only one service is currently supported (17A) which is jointly operated with Derbyshire County Council. The Council support is £9k per year.
- 4.5 The operator of the 35 bus service has indicated that the operating cost will be £2k for 6 weeks. Based on this, a full 12 month cost would be just over £17k. The Council does not have budget provision to support this service. The service will be entirely reliant on passenger numbers and community funding. If these funds prove insufficient and the service is not commercial, then the operator will withdraw the service.

- 4.6 The advice of finance officers is that an arrangement can be made to receive any funds from the community for the specific purpose, and the Council can administer the payment of the funding to Notts and Derby. The Traffic & Transportation service would monitor the fund and make the payments.
- 4.7 The Traffic & Transportation service can support the registration of the service at short notice. A memorandum of understanding is also being prepared with Notts and Derby and with the assistance of Legal officers.

OTHER OPTIONS CONSIDERED

- 5.1 The community could make an arrangement directly with the operator. However, there is no organisation established with which the operator can work.
- 5.2 The service operator will end the service as planned on July 20th.

This report has been approved by the following officers:

Legal officer Financial officer Human Resources officer Estates/Property officer Service Director(s) Other(s)	
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IMPLICATIONS

Financial and Value for Money

- 1.1 The proposal is not intended to be at any financial risk to the Council.

Legal

- 2.1 While there is no specific obligation on the Council to support the proposal, the general power of competence set out in section 1 of the Localism Act would legitimise the Council's involvement, as proposed.
- 2.2 Subject to conditions governing bus regulation and an approved memorandum of understanding between the Council and Notts and Derby to administer this arrangement. This establishes the Council's role in administering the fund and making payments to the operator.

Personnel

- 3.1 None

IT

- 4.1 None

Equalities Impact

- 5.1 Supports the community as described in the report

Health and Safety

- 6.1 None

Environmental Sustainability

- 7.1 None

Property and Asset Management

- 8.1 None

Risk Management and Safeguarding

9.1 None

Corporate objectives and priorities for change

10.1 Supports objectives to reduce social isolation, and provide connection to essential services