

# Assessment and Priority Policy for Public Transport Services in Lancashire

**December 2016**

<b>Contents</b>		<b>Page</b>
1.0	Principles	3
2.0	Public Transport Service (PTS) Assessment and Priority Policy	3
3.0	The Service Needs Assessment Process	4
3.1	Assessment Stage 1	4
3.2	Assessment Stage 2	5
3.3	Assessment Stage 3	5
3.4	Assessment Stage 4	6
3.5	Assessment Stage 5	7
4.0	Service Provision Priority Process	7
4.1	Allocation of Priorities to Existing PTS	7
4.1.1	Journey purpose, business growth (Priority)	7
4.1.2	Impact on Priority Neighbourhoods	7
4.1.3	Impact on carbon emissions	8
4.1.4	Operational Service Days	8
4.1.5	Accessibility – Travel Choice	8
4.1.6	Access for Older and Disabled People	8
4.1.7	Service Usage	8
4.1.8	Overall	8
4.2	Management of Priorities to Existing PTS	9
4.3	Allocation of Priorities to Future PTS	9

Appendix A - PTS for settlements outside major urban areas

Appendix B - PTS Criteria Matrix

## 1.0 Principles

The role of the council as set out though Section 63 of the Transport Act 1985 is, in essence, to look at where market failure occurs in the local road passenger transport network (that is where the needs of local residents are not met by the commercial market), to assess and determine whether in these instances a service is needed and if, in the council's opinion, it is then to provide one. There is no statutory requirement to provide funding for public transport services.

Given the competing demands for limited funding the council therefore needs a way to decide how to balance the differing potential public transport needs of residents when allocating funding. It also needs to be able to manage the network in the light of changes to the commercial bus network, public demand and changing corporate priorities over time. This process needs to be objective and should be so constructed as to contribute directly to the council's Corporate Strategy.

All methods of service delivery are to be considered in terms of exploring solutions for Public Transport Services (PTS). The development of sustainable PTS with local communities will be key to ensure that residents, especially in rural locations, together with any specifically disadvantaged groups will be supported in accessing employment, education, health and other essential services.

## 2.0 Public Transport Service Assessment and Priority Policy

The Public Transport Service Assessment and Priority Policy has two functions.

First, given that it is not possible to fund every conceivable public transport need for service users in Lancashire, and nor is it a statutory requirement to do so, it will allow the council to prioritise where its limited financial resources should be allocated as part of the area review process.

Second, with a revised supported PTS network in place, it allows the council to respond to changes to the commercial bus network over which it has no control and assess the need for additional supported PTS that result from them (or indeed to cease providing a supported PTS where a comparable commercial service is started).

To this end the process is two-staged requiring consideration of both the needs of the local population (**Service Need Assessment Process**) and the priority which should be allocated to those needs (**Service Provision Priority Process**).

## 3.0 The Service Need Assessment Process

The Service Need Assessment Process is aimed at determining whether there is a need for a bus service as a result of the commercial market's failure to provide one. This comprises the following 'gateway' assessments that will help the council determine whether it needs to consider procuring a supported service in each circumstance. An assessment will need to pass all the gateways in order to progress:

### 3.1 Assessment Stage 1: *Is there commercial market failure?*

The council will consider the following factors when determining whether a commercial market failure has occurred. (*Commercial market failure is where a journey or service is not commercially viable for an operator to sustain and operate or where a commercial service is deregistered because it is not viable for an operator to sustain*)

- Are there reasonable alternative services on offer that will already allow residents to make the same journey?
- Are there broadly comparable journeys or suitable alternative destinations accessible without the need for an intervention by the council?
- Will any supported PTS provision risk undermining the economic viability of a commercial service?

Definitions of what would be considered to be reasonable and broadly comparable in terms of services are set out in **Appendix A**

If there are reasonable alternatives or broadly comparable PTS available or if the provision of a supported PTS would undermine the economic viability of a commercial bus service, it will have been determined the needs of the local community are being met. Normally the assessment would end here with no need to conduct a Service Provision Priority assessment and no supported PTS will be provided.

If no such alternatives are available or if there is no risk to the viability of an existing commercial service, then the assessment proceeds to **Assessment Stage 2**.

### **3.2 Assessment Stage 2: *Does the available transport for the area affected meet the needs of our communities.***

This stage considers whether in the absence of the service or services in question, the areas affected still have a level of service at or above that at which the council feels it is necessary to provide. This will be developed using an evidence based approach

Services will be planned around the needs of communities in line with the Corporate Strategy, developed around the principle of service planning areas.

These service planning areas are based on:

- Clusters of nationally recognised statistical geographies sharing similar characteristics
- Natural geographic boundaries and the containment of discrete communities.
- A single neighbourhood's plan reflecting the differing levels and types of need within those communities. These differences are illustrated in the needs profile for each of the council's 34 areas – see section 4.1.2 below

If the needs of the community are being met the by existing PTS provision, then assessment will normally stop here and no supported PTS will be provided.

If the needs are not being met then assessment proceeds to **Assessment Stage 3.**

### **3.3 Assessment Stage 3: *What is the impact on current transport users?***

This stage assesses the impact of a loss of service or decision to provide a service on current or potential future bus service users.

This will be considered looking at:

- Are there any people using the service towards whom the council has a statutory duty to provide transport?
- Are there key services or destinations that residents will not be able to access if a service is not provided and are there no other destinations at which similar services can be obtained that can still be accessed by public transport?
- Are the residents of the area likely to be particularly reliant on public transport services?

For the purposes of this stage of the assessment:

People toward whom the county has a statutory duty to provide transport will include:

- Students of statutory school age who qualify for free home to school transport under the regulations applying at the time of assessment.

- Any other specific group toward which there is a statutory duty to provide transport at the time of assessment, or for whom the county has an agreed local policy of providing free transport at the time of assessment.

'Key destinations not able to be accessed' will include:

- Town/city centres giving access to employment, local amenities and shopping
- Major Employment centres outside town centres (above 500 persons employed)
- Health centres such as Hospitals or Doctors surgeries
- Secondary Schools, Further or Higher Education centres

Groups for whom there may be a 'particular reliance' on a PTS will include (but will not necessarily be limited to):

- Residents of protected or sheltered accommodation or residential care homes, either for older people or people with disabilities.
- Areas that show high level of social deprivation and/or low car ownership
- Young people
- Older people

If any of the above applies, then the assessment will proceed to **Assessment Stage 4**.

If not, then assessment will not normally continue and no supported PTS will be provided.

### **3.4 Assessment Stage 4: *Does the service offer value for money?***

A service will then be assessed to determine whether it offers value for money. This will usually be done by considering the nett cost of carrying each passenger after all income for the service (from on-bus fares, concessionary travel and any season tickets or other pass arrangements) has been taken into account over a given period which sum will be calculated and divided by the number of passenger journeys (individual movements) of all types carried on the service over the same period. This is the Cost Per Passenger Journey (CPPJ).

The upper limit to the cost per passenger journeys beyond which it will not normally continue to provide the service is set at £5.00. This upper limit will be subject to being periodically reviewed in light of changing circumstances.

- If the CPPJ is equal to or lower than the maximum figure provision of a supported PTS will be considered.
- If it is higher than the maximum CPPJ figure, then provision of a supported PTS will not normally be considered.

### 3.5 Assessment Stage 5 - Conclusion

Once the assessment stage has been completed a decision will be made about whether local circumstances indicate that a service is, in principle, needed. If so, the process will proceed to the priority determination stage – see section 4 below.

## 4.0 Service Provision Priority Process

As Lancashire is a very large and diverse County with many differing transport needs and given the County Council's budget constraints including those which apply to supporting PTS, it cannot meet every potential need for transport that might occur.

It is therefore necessary to prioritise its support for services. The **Service Provision Priority Process** uses the agreed **Public Transport Service Criteria (Appendix B)** to focus the council's expenditure on PTS where it will most effectively meet resident's needs and at the same time address the council's key outcomes, as set out in **1.0 Principles** above, while also maintaining the budget limitations and dealing with the impact of a sometimes unpredictable commercial market.

### 4.1 Allocation of Priorities to Existing Services

As part of the Supported PTS Review for April 2016, each PTS was prioritised using the PTS Criteria to ensure the limited funding available is allocated appropriately. The PTS criteria comprises the following elements:-

#### 4.1.1 Journey purpose, business growth (Priority)

A key priority for council's supported PTS is to consider the principal purpose of the service and how it is used. This criteria element reflects the journey purpose.

#### 4.1.2 Priority for Neighbourhood Centres

The council's physical presence within communities will take the form of Neighbourhood Centres. These will be community focussed, multi-functional buildings delivering a mix of universal and targeted services tailored to the area they are located in.

Neighbourhood Centres will be the base for the provision of services with their numbers and locations based around population and need. There will be a minimum of one Neighbourhood Centre in each of the council's 34 service planning areas.

This criteria element considers whether the bus service directly serves one of the council's Neighbourhood Centres.

### **4.1.3 Impact on carbon emissions**

This criteria element considers whether the PTS operates through or near Air Quality Management Areas (AQMA) and congestion hotspots.

### **4.1.4 Operational service days**

This criteria element considers on what days of the week the bus service runs giving a higher priority for those routes running Monday to Saturday daytime.

### **4.1.5 Accessibility – travel choice**

This criteria element considers whether there are alternative PTS available, both bus and rail, in the locality and categorises them according to how frequent and how far these are from the bus service concerned.

### **4.1.6 Access for older and disabled people**

This criteria element considers how many people with older and disabled persons English National Concessionary Travel Scheme passes (NoWcards) are carried on the service giving a higher priority for those services carrying more ENCTS passholders who are may not have access to alternative modes of travel.

### **4.1.7 Service usage**

This criteria element considers overall how many people are carried per year on a supported PTS by calculating passenger miles and cost per passenger journey to assess usage. Those services carrying more passengers will receive a higher priority.

### **4.1.8 Overall**

Following a widespread consultation exercise, when introduced in 2014, this criteria was generally accepted as the most appropriate method for the council to determine where any future level of funding available to support PTS is focused and prioritised to the key sustainable areas of the county.

The criteria takes into consideration operational aspects of supported PTS and keeping within the council's Corporate Strategy.

## 4.2 Management of Priorities for Existing Public Transport Services

It is preferable to maintain a stable supported PTS network where practical to maintain reliable use of the services provided. However working within a level of PTS budget defined by the council, a supported PTS network needs to be monitored and managed to ensure the services provided continue to fit the council's Corporate Strategy priorities and remain sustainable within the defined **Public Transport Service Criteria**.

## 4.3 Allocation of Priorities for Future Public Transport Services

If appropriate, the council will assess new or replacement services following changes to the PTS network. The initial **Service Need Assessment Process** will establish whether there is a need for a service and if there is, any proposed new PTS will then proceed through the **Service Provision Priority Process** using the **Public Transport Service Criteria** of this policy to establish where a particular service ranks with regard to existing supported PTS.

The council will consider the following options when a PTS need has been determined, including when a commercial PTS is withdrawn, even if it has a high priority:

1. Consider if alternative transport solutions can be established to provide key service journeys - such as (but not limited to) community transport, parish or other local group transport, taxi solutions, car sharing promotions or car clubs;
2. Consider if alternative financial resources are available to the council to support the service. This may be in partnership with other organisations (such as local District or Parish Councils) or through Section 106 Developer Contributions or any such alternative funding identified;
3. Provide either whole or part of the service by reconfiguring any existing tendered PTS;
4. Not to provide the service at this time, but place it upon a reserve list, with priority for provision, should additional funding become available at a future date.

## Appendix A – Public Transport Services for settlements outside major urban areas

The following guidelines for Service Access Indicators (SAI) are designed to provide minimum coverage by Public Transport Services to address social exclusion issues. Rural areas are considered to include settlements, or a combination of settlements, with population of up to 10000, according to the best available census figures.

<b>Settlement population</b>	<b>Minimum Service Level</b>
Settlements with a population of less than 100	No conventional minimum service level
Settlements with a population between 100 and 499	One return daytime journey one day per week or DRT
Settlements with a population between 500 and 999	Five return daytime journeys per week or DRT
Settlements with a population between 1000 and 1999	One Monday to Friday peak hour timed return journey, plus one return daytime journey five days per week or DRT
Settlements with a population between 2000 and 4999	Four return journeys per day, six days per week, including a peak hour timed return journey or DRT
Settlements with a population between 5000 and 9999	An hourly service (minimum 8 return journeys between 08.00 and 17.00) six days per week, plus an additional peak return journey on Mondays to Fridays
Settlements with a population between 10000 and 19999	An hourly service (minimum 11 return journeys between 07.00 and 18.00) six days per week
Settlements with a population between 20000 and 39999	At least two services to different destinations hourly (minimum 11 return journeys between 07.00 and 18.00) six days per week

**Appendix B – Public Transport Services Criteria Matrix**

Objective	Criteria	Scoring	Points
<b>Priority Themes</b> Weighted 40%	Business growth - journey purpose (max. score of 14)	Employment	6
		Health / Medical / Welfare	5
		Shopping / Personal Business	4
		Education	3
Leisure (Social / Recreation)		3	
Priority for Neighbourhood Centres	The route directly serves a Neighbourhood centre	4	
	No Neighbourhood centres are directly served by the route	0	
Impact on carbon emissions	The route directly serves an Air Quality Management Area (AQMA) and/or congestion hotspot	4	
	No AQMA or congestion hotspots are directly served by the route	0	
<b>Accessibility</b> Weighted 60%	Operational service days (max. score of 5)	Monday to Saturday Daytime (0700-1830)	5
		Sunday Daytime (0900-1830)	3
		Monday to Saturday Evening (1830-2330)	3
		Sunday Evening (1830-2330)	1
	Accessibility - travel choice	No reasonable alternative	8
		Alternative within 2 hours during daytime within no more than 800 metres	4
		Alternative within 2 hours during daytime at same location	3
		Alternative within 1 hour during daytime within no more than 800 metres	2
		Alternative within 1 hour during daytime at same location	0
	Access for older & disabled people	More than 50% passenger journeys by concessionaires	5
		Between 33% and 50% passenger journeys by concessionaires	3
		Less than 33% passenger journeys by concessionaires	1
		No passenger journeys by concessionaires	0
	Service usage	Average Passengers per Mile - 2.1 and above	5
Average Passengers per Mile - 1.6 to 2.0		4	
Average Passengers per Mile - 1.1 to 1.5		3	
Average Passengers per Mile - 0.6 to 1.0		2	
Average Passengers per Mile - 0.1 to 0.5		1	
Cost per Passenger Journey - £0.01 to £1.00		5	
Cost per Passenger Journey - £1.01 to £1.50		4	
Cost per Passenger Journey - £1.51 to £2.00		3	
Cost per Passenger Journey - £2.01 to £2.50		2	
Cost per Passenger Journey - £2.51 and above		1	