

# **Shropshire Bus Strategy 2017-2021**

For consultation – December 2016

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## **Introduction**

This strategy updates the Shropshire Council Bus Strategy which was last reviewed in 2011 for the period to 2016. This new strategy will run from 2017 until 2021 and the update has been undertaken in order to reflect the far more challenging financial climate and to form part of the planned Local Transport Plan 4 document.

The Shropshire Bus Strategy recognises the respective roles of commercial operators, Shropshire Council, Community Transport operators and Community Cars in delivering an integrated public transport service across Shropshire which reflects local circumstances, travel need, and available resources. In addition to the network of transport services, the strategy also recognises the importance of other service aspects including, ticketing regimes, types of vehicles used, concessionary travel, bus priority, information, marketing and publicity.

## **Background**

The 1985 Transport Act led to the de-regulation of bus provision in England enabling commercial operators to run public bus services without any Local Authority assistance or subsidy. Commercial operators dictate routing, pricing and fare structures. The unfortunate downside of this de-regulation is that the unprofitable routes have been discarded by operators removing any opportunity for cross subsidy.

Under the Transport Act 1985 s63 Shropshire Council has a statutory duty to; “secure the provision of such public passenger transport services as the council consider it appropriate to secure to meet any public transport requirements within the county which would not in their view be met apart from any action taken by them for that purpose”.

The Council has always sought to provide appropriate socially necessary public bus services in Shropshire. The implications on people’s ability to access essential services, social exclusion, rural isolation, economic and environmental impact are important elements when considering service provision.

The overall responsibility for bus operator performance is now with the Transport Commissioner, but through the contract relationship for subsidised bus service Shropshire Council is also able control the performance and standard of bus service provision on these services.

Approximately one third of Shropshire’s population live in “sparse rural”<sup>1</sup> areas and car ownership levels are higher than the national average. The percentage of people over 65 and 85 years of age are higher than both the regional and national average. Over one fifth of the population qualify for concessionary bus travel through age or disability.

Whilst the percentage of households with no access to private vehicles is low, it is clear that this proportion of the population are reliant on local transport services, and a lack of services will increase social exclusion, especially in rural areas and particularly for the elderly, disabled, young and those on low incomes.

Shropshire as a rural County needs a public transport network that makes appropriate use of fixed route services buses in and between key local settlements whilst utilising the more responsive, flexible

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<sup>1</sup> 2011 Census

and dynamic local community transport and community car scheme networks elsewhere in the county.

This strategy was developed in the context of a bench marking exercise which considered the current and emerging bus strategy positions of a number of other local authorities with specific reference to the actions they are taking to address the increasing challenges presented by the current challenging financial climate.

## **Policy Context**

### *The Marches Local Enterprise Partnership*

The Marches LEP comprises Shropshire, Telford and Wrekin and Herefordshire local authorities. The LEP have produced a strategic document which looks at strengths and weaknesses across the whole area.<sup>2</sup> There is considerable recognition that transport, more specifically transport infrastructure improvements, will be vital to increasing business opportunity and driving economic growth. Within the document there is also a recognition that parts of the Marches LEP area are disadvantaged in terms of transport, be that commercial, private or public transport provision. It identifies a key “Barrier to Growth” as the “poor public transport in rural areas” which increases the reliability on private vehicles and therefore reduces the accessibility of education jobs and other services. The SWOT analysis states “significant problems around public transport limiting easy movement of the workforce and preventing access to jobs.”

Shropshire Council wholly agrees with these statements, however the local bus network is delivered by a combination of commercial routes (which tend to be focussed on the urban areas), contracted routes from developer funding or revenue funding from the local authority.

### *Local Transport Plan*

The transport aspirations of the LEP will be further developed in the new Local Transport Plan 4 that Shropshire Council is currently developing. This will set out higher level transport objectives across all modes of transport and this bus strategy will be a key delivery document within this overall plan.

## **Policy Objectives**

The following policy objectives define how Shropshire Council expects public transport services to be delivered in Shropshire.

- Shropshire Council will encourage the development of commercial routes, especially those taking in rural or disadvantaged areas
- SC will seek to encourage supported services to become commercial through increased patronage or alternative funding streams as available.
- SC will continue to invest revenue funding in those non-commercial routes that emerge as priorities.
- SC will promote and support voluntary Community Transport and Community Car schemes where they exist, which can offer a residual “safety net” level of service complementing the wider public transport network.

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<sup>2</sup> The Marches LEP Strategic Economic Plan March 2014 ([www.marcheslep.org.uk](http://www.marcheslep.org.uk))

## **Bus service selection criteria**

Shropshire Council, in meeting its statutory duty to consider gaps in the provision of Public Transport (not otherwise provided by operators on a commercial basis), will only consider providing subsidy to routes and services in line with the following criteria:

- Where such a service meets the wider Council ambitions to support communities and residents in accessing essential services (Health, medical and shopping) in the most cost effective and sustainable way. As part of this evaluation, wider consideration would be given to alternative ways of delivering such services to a community removing or reducing the need to travel.
- Where such a service would provide the most cost effective transport solution to the Council as a whole for those groups entitled to transport under statute (including pupils and students)
- Where such a service is provided in line with developer obligations and financial contributions resulting from a section 106 agreement
- Where such a service can be provided through application to external funding streams. In such cases, the Council would not assume any liability to replace external funding with its own base budget at the time such funding expires.
- Where such a service has been identified as a priority as part of the Place Planning process and where a service, over the lifetime of a three year subsidy contract, has been identified as having the potential to exit on a financially sustainable basis (fare income offsets all subsidy costs, subsidy costs offset by local or external funding)
- Where a service meets the needs of vulnerable resident groups (elderly, disabled) in accessing essential services that are not accessible in any other way (e.g. Community Transport services, Community Car service)
- Where such a service can be provided within the Councils overall available revenue budgets.

Shropshire Council does not consider the publication of, or adherence to, any form of standard, blanket or inflexible minimum network at this time as appropriate, effective, or ultimately sustainable. It will instead constantly review its subsidised enhancements to the commercial network with reference to the above criteria, and reserves the ability to change these throughout the lifetime of its policy following such review.

## **Priorities**

Shropshire Council remain committed to supporting a viable bus network across the county. However this support must be measured against the available funding and so there is a requirement to ensure that services are provided by the most sustainable option.

The overriding aim is for all services in the county to operate on a purely commercial basis, however with a rural area it is clear there will continue to be revenue supported services. These services must be well timed and offer the journeys required by users to ensure they are providing the best available value for money.

Access to essential services (employment, education & training, health care and shopping) is the overriding priority for Shropshire Council. As a result Shropshire Council have developed a prioritisation framework to inform that decision on allocation of subsidy to services across the county.

## **Prioritisation Framework**

The Framework has been developed to assess all the routes that currently require subsidy from Shropshire Council funds. The process however can be applied to any proposed service, be it subsidised or commercial. The framework has been developed to give a transparent and objective process for analysing the benefits and costs of different and disparate routes across the county.

The Framework gives a score to the route for individual benefits based around three objectives. The first objective is Local Transport Plan (3) priorities such as access to employment and service, air quality and quality of life. The second objective considers accessibility, and includes consideration of alternative travel options, the degree of rurality associated with the route and the potential interchanges on the route for further travel (this might be railway station or bus stop interchanges). The third and final objective considers the financial aspects of the route, including potential for alternative funding methods (e.g. pushing for commercial status), planning gain, route extensions, passenger usage and trends.

### *Objective 1 - Local Transport Plan Priorities*

Three relevant service purpose criteria were identified from the Local Transport Plan priorities:

- Seek to maintain a core strategic public transport network linking key residential areas with employment sites and key local services. The scoring for this criteria is linked to the size of the travel to work served.
- Give priority to supporting public transport services which enable disadvantaged groups and communities to access employment sites and key local services. The scoring for this criteria is linked to the number of travel purposes served and their relative importance.
- Impact on carbon emissions at times that would result in a significant reduction in carbon emissions. The scoring for this criteria linked to the potential for the service to impact on an Air Quality Management Area.

### *Objective 2 - Accessibility*

Four service type criteria were identified under the Accessibility objective:

- Integration and the availability of transport interchange options. The scoring for this criteria is linked to the number of interchange options available on the route.
- Accessibility in terms of the availability of alternative travel services including other bus / rail routes or publicly available Community Transport services. The scoring for this criteria is linked to the usefulness of the best alternative option that is available.
- Access for disabled persons or those with limited mobility. The scoring for this criteria is linked to the proportion of current users who are Concessionary Pass Holders.
- Degree of Rurality. The scoring for this criteria is linked to the proportion of the routes that is considered rural. Rural for the purposes of this strategy being any area outside Shrewsbury, Oswestry, Ludlow, Bridgnorth, Whitchurch, Market Drayton and Wem.

### *Objective 3 - Financial Considerations*

Three cost and patronage criteria were identified under the Financial Considerations objective:

- Alternative funding options. The scoring for this criteria is linked to the potential for external and internal funding contributions
- De minimus Provision. Subsidised routes that take advantage of a commercial service through some form of extensions will be scored higher than those that do not.

- Passenger Usage Trends. Those routes where patronage is increasing will score higher than those where patronage is static or declining.

### *Value for money*

Value for money has always been a key consideration in the provision of public service and with limited and reducing budgets this is becoming even more important. Therefore, in addition to the 3 objectives set out above a further value for money factor will be applied based on the cost per passenger.

The prioritisation framework, including details of weighting and factors is set out in Appendix A.

### **Community Transport**

Small bus Community Transport schemes in Shropshire operate under a number of different structures and have different operating objectives. However all of them provide a ‘safety net’ style service and have a strong community base, involving users in the design and delivery of its service. All the schemes are independent of Shropshire Council in terms of their management structure and trading status. Shropshire Council retains an observer / mentor position on the board of each group.

The transport they provide is designed to meet local needs that conventional transport services leave unmet. This is usually due to non-availability of a conventional service or passengers mobility issues which makes traditional public transport unsuitable. The use of all Community Transport schemes is based on membership, this being based on meeting eligibility criteria. Although the criteria vary from operator to operator, this is a necessary part of the legal vehicle licensing framework under which they operate.

All of the schemes operate Dial-a-Ride style services where journeys must be pre-booked. Generally these journeys are ad hoc and essential in nature, and provide access to local services and amenities such as healthcare appointments and shopping opportunities. Shropshire Council grant assists the sector, although this comprises less than 50% of the sectors turnover.

### **Shropshire Community Car Scheme**

Shropshire Community Car schemes provide for “essential journeys” in situations when residents do not have a car, or access to a car when they need to travel, and are not able to use public transport, either because they can’t get on board or because it is not available.

Operated and coordinated, at a local level by volunteers; volunteer drivers receive reimbursement of mileage costs in part by the user and in part by Shropshire Council.

Example of “essential journeys” include;

- Journeys to Hospital and Visiting friends or relatives in hospital
- Visiting the doctors, dentists, opticians, chiropodist or physiotherapist.
- Transport to hearing aid or ulcer clinics
- Collecting urgent prescriptions
- Shopping, collecting pensions, personal business (e.g. bank, building society, solicitor).
- Transport to a bus stop or train station to catch an onward service.
- Meeting people from the bus or train and taking them home.
- Attending a funeral.

This list is not exhaustive. Other journey requests may be accepted provided they fit within the general guidelines and a driver is willing to take it on.

The schemes, where available, operate as an effective “safety net” in the hierarchy of options for public transport users across Shropshire.

Note; The Community Car Scheme relies entirely on local volunteer availability, and therefore is not available in all areas of the County.

## **Bus Service Aspects**

### ***Fares***

Commercially successful bus routes in Shropshire have a charging regime outside the control of the local authority. It is therefore the operator that sets the fare structure within the context of the market that they serve. However Shropshire Council will work with the bus operators to encourage fares that are attractive to all users whilst maintaining a level of acceptable profit. On contracted services Shropshire can be more prescriptive in the tendering process on the expected fare structure however it is likely that reduced fares will mean increased subsidy costs for Shropshire and so a careful balance must be considered.

### ***Smart Ticketing***

Smart ticketing, integrated across Shropshire and potentially across different modes is still a continuing aim within Shropshire, however at this time Shropshire Council are not in a position to offer anything but in principle support for a roll out of a smart ticketing system. In order to deliver a viable scheme, the support, both practical and financial of all commercial operators will be required.

### ***The Buses Bill***

The Bill will introduce new franchising powers and should proceed through Parliament in 2016. These powers are being designed to be clearer and simpler to use than the current Quality Contract Scheme (QCS) process, but would achieve the same end outcome – the replacement of the de-regulated bus market within an area or area(s) with a new system in which the local transport authority would take responsibility for planning and specifying the services to be delivered, and bus operators would bid to provide those services.

The Buses Bill would enable local transport authorities to pursue franchising, but not require them to. Areas that will have access to these powers, including as part of a devolution deal, will be able to take a local decision on whether or not they wish to franchise their bus services.

The Bill is also likely to revise existing quality partnership rules by removing the requirement that LTAs are always required to provide new facilities and by adding to the measures that can form part of a quality partnership scheme

### ***Performance management***

Service quality including, punctuality and reliability are key for delivering the bus strategy and for ensuring passengers can rely upon public transport services to meet their transport needs. This helps to attract and retain passengers making services more sustainable.

Monitoring and enforcement of all registered local bus services is undertaken by regional Traffic Commissioners, Shropshire is covered within the West Midlands Traffic Area. The traffic commissioner has the powers to fine or ultimately withdraw an operator’s licence should they consistently fail to



provide services to the required standard including punctuality, route violations, poor vehicle maintenance and other matters of vehicle quality.

Shropshire Council has no regulatory powers over public transport services. Shropshire Council does however monitor the subsidised local bus network and is able to terminate contracts should the operator fail to provide them to a suitable level of performance. However, even when a service is operated under contract to the local authority, the registration of the route (the legal right to operate) is retained by the operator.

Shropshire Council has a contract compliance team within Passenger Transport Services. This team regularly monitors all contracted transport services including contracted school and public transport to ensure they are operating to all standards within the agreed contract. Where severe concerns arise the compliance team will liaise with the Traffic Commissioner and the Vehicle and Operator Services Agency (VOSA) to ensure they are kept informed.

### ***Concessionary travel – statutory scheme***

Shropshire Council has a mandatory statutory duty to provide a Concessionary Travel Scheme as required by the Transport Act 1985 s94 and the Transport Act 2000 s146 & s160 for older and disabled people. The statutory scheme enables eligible pass holders to travel between 9.30 am to 11 pm Monday to Friday and all day at weekends and bank holidays on any local bus service in England. Shropshire Council is the Travel Concession Authority (TCA) for the County and therefore has the responsibility for administering the scheme. The main roles are:

- Annual negotiations with operators to determine reimbursement for revenue foregone and additional costs.
- Processing and paying monthly claims.
- All customer facing elements of the scheme including issuing of smartcards
- Administration of all scheme enhancements.

### ***Concessionary travel – Shropshire enhancements***

In addition to the statutory scheme Shropshire Council currently offers the following enhancements for bus pass holders:

- Free travel for carers and companions of eligible disabled people
- A contribution towards fares paid on Dial-a-Ride services provided by Community Transport Schemes.

The following elements are available as an alternative to any other concession including the bus pass:

- £30 of National Travel Tokens – Eligible disabled people only.
- Senior Railcards (£9 per applicant) – Older people only
- £20 of Community Car Vouchers – Older people only
- 36 return tickets for use on the Bridgnorth Cliff Railway. – Older people only

### ***Vehicles***

Shropshire Council will work with Bus operators to improve the quality of the buses used in Shropshire. Contracted services will need to provide a sensible pattern of bus improvement, both in terms of emissions and vehicle facilities / accessibility. In some circumstances this may involve delaying the purchase of new vehicles until they are more commercially viable for the operator, or requiring new contracts to be operated by minimum vehicle standards from day 1.

***Marketing, Publicity and Information***

To retain and grow passenger numbers, Shropshire Council will undertake cost effective marketing and promotions, supported by timely and accurate information provision. This includes the provision, either by the Council, or in partnership with local operators, of roadside timetable inserts. (Note; all bus shelters across Shropshire are the asset and responsibility of the relevant local Town or Parish Council) This will make best use of technology advances to reach all audiences, whilst respecting the need to retain some of the more traditional mainly paper based communication methods. These activities aim to increase service use, which in turn will increase income, leading to more sustainable subsidy requirements.

## Appendix A – Prioritisation Framework

Base Matrix				
Objective	Criteria	Scoring	Points	
<b>LTP Priority Themes</b> <b>(40% weighting)</b>	<b>Service Purpose</b>			
	<b>1A</b> Seek to maintain a core strategic public transport network linking key residential areas with employment sites and key local services. <i>(Score 4 or 2 or 0)</i>	The route serves a significant travel to work area (>1000)	4	
		The route serves a moderate travel to work area (500 to 1000)	2	
		The route serves a low travel to work area (<500 trips)	0	
	<b>1B</b> Give priority to supporting public transport services which enable disadvantaged groups and communities to access employment sites and key local services. <i>(Score all that apply)</i>	Travel for Employment	5	
		Travel for Education / Training	4	
		Travel for Health / Medical / Welfare	4	
		Travel for Shopping (fresh food)	3	
		Travel for Personal Fitness	2	
		Travel for Personal Business	2	
		Travel for Leisure (social / recreation)	1	
	<b>1C</b> Impact on carbon emissions <i>(Score 4 or 2 or 0)</i>	The route directly serves an Air Quality Management Area at times that would result in a significant impact on carbon emissions	4	
		The route passes nearby an AQMA and/or congestion hotspot at times that would result in a significant impact on carbon emissions	2	
		No AQMA or congestion hotspots are served	0	
		<b>Total Score</b>	0	
		<b>(Total Score divided by 29 multiplied by 40) Total weighted score</b>	0	
	<b>Accessibility</b> <b>(50% weighting)</b>	<b>Service Type</b>		
		<b>2A</b> Integration – Transport Interchange <i>(Score 4 or 2 or 0)</i>	More than one bus / rail interchange or local centre on route	4
			One interchange on route	2
		No interchange on route	0	
<b>2B</b> Accessibility – available alternative travel (other bus / rail route or publicly available / Community Transport service) <i>(Score 5 or 4 or 3 or 2 or 1)</i>		No reasonable or direct peak alternative	5	
		Off peak CT alternative	4	
		Alternative within 2 hours within no more than 700 metres	3	
		Alternative within 1 hour within no more than 700 metres	2	
		Alternative available through interchange	1	
<b>2C</b> Access for disabled persons or those with limited mobility <i>(Score 5 or 3 or 1 or 0)</i>		More than 50% of trips made by Concessionary Passholders	5	
		Between 33 and 50% of trips made by Concessionary Passholders	3	
		Less than 33% of trips made by Concessionary Passholders	1	
<b>2D</b> Degree of Rurality <i>(Score 3 or 2 or 1)</i>		No trips made by Concessionary Pass Holders	0	
	More than 50% of the route is considered as rural	3		
	Between 25 and 50% of the route is considered as rural	2		
	Less than 25% of the route is considered as rural	1		
	<b>Total Score</b>	0		
	<b>(Total Score divided by 17 multiplied by 50) Total weighted score</b>	0		
<b>Financial Considerations</b> <b>(10% weighting)</b>	<b>Cost and Patronage</b>			
	<b>3A</b> Funding options / Alternatives <i>(Score 4 or 2 or 0)</i>	Potential for external funding contribution (public / private)	4	
		Potential for internal funding contribution	2	
		No funding or resource alternatives	0	
	<b>3B</b> Deminimis Provision <i>(Score 4 or 0)</i>	The service is an extension of a commercial service	4	
		The service is not an extension of a commercial service	0	
	<b>3C</b> Passenger Usage Trends <i>(Score 5 or 3 or 0)</i>	Patronage increasing	5	
		Patronage stable	3	
	Patronage reducing	0		
	<b>Total Score</b>	0		
	<b>(Total Score divided by 13 multiplied by 50) Total weighted score</b>	0		
<b>OVERALL TOTAL WEIGHTED SCORE</b>			0	
Subsidy cost per passenger FACTOR <i>(Select the appropriate factor)</i>	<i>(Select</i>	£0 to £0.49	1.1	
		Between £0.50 and £0.99	1.0	
		Between £1 and £2.49	0.9	
		between £2.50 and £3.65	0.8	
		between £3.65 and £4.99	0.7	
		Between £5 and £8	0.5	
	More than £8.00	0.25		
Final Score = Overall Total Weighted Score multiplied by Subsidy Factor			0	