

Report of	Meeting	Date
Chief Executive (Introduced by Executive Leader and Executive Member for Economic Development and Partnerships)	Executive Cabinet	17 March 2016

BUS SERVICES

PURPOSE OF REPORT

- To update Members and seek ratification of a commitment made by the Executive Leader in respect of funding allocated to mitigating the impact of Lancashire County Council budget reductions to support bus services in the Borough.

RECOMMENDATION(S)

- That Members resolve to support and approve the commitment given by the Executive Leader in respect of services 24a and 109a currently servicing the Chorley area.

EXECUTIVE SUMMARY OF REPORT

- In the most recent budget, a sum of £500k was set aside to mitigate the impact on the Chorley area and residents of reduction in Lancashire County Council budgets. The money is intended as short term financing in order to give time and space to find sustainable solutions to issues arising from the reductions. In relation to bus services, decision has already been made that mean from the 3 April a number of services will be cut or reduced.
- In response to the reductions discussions have been taking place with County colleagues to find short term solutions, that enable time to find longer term solutions and a decision in relation to two services, the 24a and 109a have been made on that basis. The details of those routes and tender specification are attached at Appendix A.

Confidential report Please bold as appropriate	Yes	No
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Key Decision? Please bold as appropriate	Yes	No
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Reason Please bold as appropriate	1, a change in service provision that impacts upon the service revenue budget by £100,000 or more	2, a contract worth £100,000 or more
	3, a new or unprogrammed capital scheme of £100,000 or more	4, Significant impact in environmental, social or physical terms in two or more wards

REASONS FOR RECOMMENDATION(S)

(If the recommendations are accepted)

5. To progress a set of options to mitigate the impact on local services of Lancashire County Council budget reductions.

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

6. None

CORPORATE PRIORITIES

7. This report relates to the following Strategic Objectives:

Involving residents in improving their local area and equality of access for all		A strong local economy	
Clean, safe and healthy communities		An ambitious council that does more to meet the needs of residents and the local area	✓

BACKGROUND

8. Set out at Appendix B is a copy of a recent report and decision made by the Cabinet member for highways and transport at Lancashire County Council.
9. The report details the reasons for looking to continue the 24a and 109a bus services and sets out financing agreement based upon a 70/30% split of costs, which has been agreed.
10. Subsequent to that decision being made the tender prices have been received and the successful tenderer, Stagecoach have identified a subsidy of 42,663 per annum for the service. On this basis for six months the subsidy will be circa £21k and Chorley Council will be required to find £15k of this. There is also an option to renew if required.
11. During the six month period we will monitor usage and work to determine the reasons for and profile of trips made to see if any alternative models of delivery exist that may be self-sustaining. This will enable a decision to be made within the next six months on the sustainability of the two services.

IMPLICATIONS OF REPORT

12. This report has implications in the following areas and the relevant Directors' comments are included:

Finance		Customer Services	
Human Resources		Equality and Diversity	
Legal		No significant implications in this area	

COMMENTS OF THE STATUTORY FINANCE OFFICER

13. A sum of £500k was set aside in the 2016/17 budget for items of this nature, the subsidy of £21k will be taken from the budget.

COMMENTS OF THE MONITORING OFFICER

14. Given the urgency of this matter the approach of ratifying the Executive Leaders commitment is appropriate. The issue needed an immediate commitment in order to protect these bus services. A fund had been set aside precisely for the reason of supporting services that were being adversely affected by LCC cuts. The use of this fund is appropriate and whilst not wholly in accordance with standard decision making processes the approval of the commitment to fund the subsidies is reasonable in all the circumstances.

GARY HALL
CHIEF EXECUTIVE

There are no background papers to this report.

Report Author	Ext	Date	Doc ID
Gary Hall	5104	16 March 2016	***