

**DISCRETIONARY EXPENDITURE on PUBLIC TRANSPORT INITIATIVES
(FORMERLY RURAL TRANSPORT GRANT) 2010-11**

1. SUMMARY

The purpose of this report is to seek member's approval to reduce discretionary expenditure on experimental bus services as required by the budget set by the Council at their meeting on 18th February 2010.

2. RECOMMENDATION

It is recommended that members authorise termination or reduction of the experimental initiatives and services listed in Section 4 and continuation of those listed in Section 5.

3. BACKGROUND

3.1 The Council budget requires a reduction of £70,000 in the level of discretionary funding available for experimental public transport services provided previously through the Rural Transport Grant. This sum is the overall saving to be achieved and will be shared as equitably as possible over Council areas (with the exception of Helensburgh and Lomond which falls within the SPT area). It should be noted that it was not always possible to allocate Rural Transport Grant funding equally between each area due to the fact that some areas were already well served by public transport. This created fewer opportunities to introduce experimental services or enhancements to existing services in some areas.

3.2 This paper is presented to each Area Committee at the first opportunity following setting of the budget. There is no alternative to producing the level of saving required other than withdrawing or reducing services which were originally introduced as a result of the existence of Rural Transport Grant. It should be noted that owing to the tight timescale and the need to give as much notice as possible, the savings will have to be achieved over nine or ten months instead of over whole financial year. Accordingly, it is unlikely that service reductions will be able to take effect until mid June or early July 2010.

3.3 An appendix at the end of the paper gives basic information on the performance of each initiative.

**4. EXPERIMENTAL PUBLIC TRANSPORT INITIATIVES in BUTE and COWAL
RECOMMENDED for REDUCTION or WITHDRAWAL**

4.1 SERVICE: Dunoon – Carrick Castle, Service 484
CONTRACTOR: West Coast Motors
DESCRIPTION: Improvements to the Saturday and non school day service.

COST: £34,049.38 for 2009-10 but proposing to cut to £22,003.43 saving £12,045.95

COMMENCED: 6th December 2004

COMMENTS: Prior to the introduction of this enhancement the bus service between Dunoon – Lochgoilhead and Carrick Castle was three journeys per day on school days only. There was no Saturday service and when schools were on holiday the service consisted of only one return journey on a Monday and Friday. A report by the National Park authority identified a need for improvements to this service. The improvement produced a consistent timetable of three journeys per day Monday to Saturday.

During school holidays and on Saturdays it is proposed to withdraw the first journey, the most lightly used of the three journeys, and leave the remaining two which will still provide opportunities for return journeys to Dunoon from Carrick Castle and Lochgoilhead. In a sample of journeys during the school summer holidays last year the service carried 1,564 passengers of whom 17.8% boarded between Carrick Castle, Lochgoilhead and Hell's Glen Road, this being the exclusive portion of the route. The overall subsidy per passenger for that period was £6.72 but if it is assumed that those between St Catherines and Dunoon have the choice of the Inveraray service, the subsidy for the exclusive section of the route rises to £37.64 per passenger. There would be no change to the service on schooldays but on school holidays and Saturdays there would only be two buses a day instead of three. Leave Carrick Castle 1200 and 1720 and leave Dunoon 1020 and 1550. The journeys to be withdrawn leave Carrick Castle 0820 and Dunoon 0655.

4.2 SERVICE: **Cowal Dial-a-Bus**

CONTRACTOR: West Coast Motors

DESCRIPTION: Withdrawal of Saturday service apart from monthly Greenock trip

COST: Saving £3,116.40 per annum

COMMENCED: Additional Wednesday service introduced 28th February 2007

COMMENTS: The addition of Wednesdays to the Dial-a-Bus schedule brought the service up to a four day a week operation. The service only operated two days per week when the Council assumed responsibility for it in 1997.

However, an analysis of the usage shows that, with the exception of the once a month shopping trip to Greenock, usage of the service on a Saturday is minimal. If the Greenock figure is removed, the average number of passengers is only four (e.g. two individuals each making a return trip). In fact, at the turn of the year and excluding the Greenock days which are always well subscribed, the service was not required for five Saturdays in succession. The contractor still has to be paid even if the service does not operate. The figure shown was based on the costs for the additional Wednesday journey, £77.91 per day.

4.3 SERVICE: **Interloch Transport**

CONTRACTOR: Interloch Transport

DESCRIPTION: Assistance with the cost of maintaining vehicles.

COST: £3,000 reduced to £1,000 saving £2,000
COMMENCED: 2007-08
COMMENTS: In offering local authorities a Rural Transport Grant allocation the Scottish Government encouraged authorities to fund community transport where it may be more sustainable in the long term as against conventional bus services.

Funding for the Cowal Deserve project ended in June 2007. The project has however been awarded Rural Communities Transport Initiative Funding from April 2007 for three years and is now known as Interloch Transport. The project continues to deliver transport services to Cowal residents who have difficulty accessing services due to age or disability. The project has over 320 registered clients. The funding is used to carry out the safety inspections, hydraulic lift inspections and pre-MOT inspections on the Interloch Transport vehicles. Argyll and Bute Council's Fleet Services carry out the work. However, the full amount allocated has never been required and it is felt that £1,000 will be adequate based on the past two year's inspections.

4.4 SERVICE: **Bute Bus Sunday Bus Services, Service 493**
CONTRACTOR: West Coast Motors
DESCRIPTION: Improvement to the Sunday bus service on Bute
COMMENCED: 21st June 2009
COST £12,870.60 reducing by an estimated £6,435.30 if reduced to one shift during the winter.
COMMENTS: This improvement came about following a tender option from West Coast Motors when they won the contract to continue to provide the island's bus services from April 2009. Weekday improvements which the Council was expected to pay for were provided at no additional cost but with the proviso that Sunday services were reduced slightly and the Canada Hill service withdrawn. The funding, which the Area Committee had authorised previously was then diverted to provide both an improved Sunday service and the Canada Hill service. The following table compares patronage between the former Sunday timetable and the current timetable.

Bute Sunday Bus Service		
	From 21st June 2009	Prior to 21st June 2010
Number of Sundays in data sample	28	24
Average number of passengers per Sunday	253	178
Passengers using Rothesay local journeys	20	10
Passengers using Ettrick Bay - Kilchattan Bay and intermediate journeys	233	168
Number of town journeys	5	4
Passengers per journey	4	3
Number of non town journeys	38	32
Passengers per journey	6	5

These figures show that to achieve the additional average increase of 75 passengers each Sunday costs £3.30. This figure is below the guideline criteria figure of £3.50 but given that this is

a fairly recent enhancement which can no longer be sustained due to budgetary constraints it is proposed to reduce the service during the summer (April to September) but improve ferry connections to and from the south of the island with the intention of maximising revenue from visitors to Mount Stuart. During the winter it is proposed to cut the service to one shift providing a service between 0915 and 1840. This would operate from October to March.

4.5 SERVICE: Rothesay and Canada Hill, Service 488

CONTRACTOR: West Coast Motors

DESCRIPTION: Seasonal service operating four times a day, April to October

COST: Saving £6,617.52 per annum

COMMENTS: This is a long established seasonal service operating a circular route from Rothesay Guildford Square back to Guildford Square via Canada Hill. Because of contractual changes in 2009 it is now being funded by the amount set aside for service improvements on Bute. As a result of vigorous marketing during the past ten years the patronage had been increasing but it fell back significantly in 2009 when a total of 1,846 passengers were carried at a total cost of £6,617.52. Apart from the section over Canada Hill itself, the route duplicates other services thus reducing the number dependent on the service. Of the 1,846 passengers using the service only 37.7% (or 696 for whom the subsidy would then be £9.52 per passenger) made journeys which started or ended on the exclusive section of the route (an average of one person per journey), the remainder could have made their journeys by other services.

4.6 SERVICE: Rothesay and Dunoon – summer Sunday, Service 479

CONTRACTOR: West Coast Motors

DESCRIPTION: Thrice-daily service Summer Sundays only

COST: £6,869.40 (plus an estimated £2,750 to CalMac for ferry crossings) reducing to £5,266.56 saving £1,602.84

COMMENCED: 2002

COMMENTS: Normally, the service operates from March to October to co-ordinate with the dates of the CalMac summer timetable. However, in 2009, due to budgetary constraints the season was reduced from May to September inclusive without complaint. The average number of passengers each Sunday reduced slightly between 2008 and 2009 from 67 to 63. In 2008, the last full season, all dates prior to May were below the average and of the two dates in October, one was above and one below. It is now proposed to formalise the reduced dates of operation consolidating the small saving.

4.7 The total savings which will accrue from the Bute and Cowal area will be £31,818.01 per annum but it must be borne in mind that the whole year's savings have to be achieved over a period which may only be nine months and a further paper may be necessary.

5. EXPERIMENTAL PUBLIC TRANSPORT INITIATIVES in BUTE and COWAL AREA RECOMMENDED for continuation during 2010-11

5.1 SERVICE: Skipness, Tarbert and Lochgilphead (Serving both the Bute and Cowal and Mid Argyll, Kintyre and Islay areas.) – Service 448

CONTRACTOR: West Coast Motors

DESCRIPTION: This service has three functions. It was originally introduced as part of other links, which together create through journeys from Rothesay to Lochgilphead and return. It also provides local links within Tarbert and in general enhances the bus service between Tarbert, Ardrishaig and Lochgilphead.

COST: £21,370.92 excluding possible inflation uplift plus an estimated amount of £5,000 to CalMac for journeys between Portavadie and Rothesay which use the Colintraive Ferry.

COMMENCED: 14th August 2000

COMMENTS: On 16th April 2006, by agreement with the Council, the contract was transferred from the previous operator, D and E Henderson of Tarbert, to West Coast Motors and a revised timetable introduced which linked some of the journeys on this service to the Tarbert Skipness service. The service has been promoted vigorously because of the journey opportunities and connections with ferries now possible. The service has also benefitted from a new bus adapted to carry cycles which was part funded by HiTRANS.

5.2 SERVICE: Enhancements to Dunoon area Sunday services, Services 482, 483 (Toward) and 485 (Ardentinny)

CONTRACTOR: West Coast Motors

DESCRIPTION: Improvements to Sunday services on these routes.

COST: £21,310.00 for 2010 (£10,665 for each service)

COMMENCED: 17th October 2004

COMMENTS: Instead of one bus providing little more than a nominal service over both the Ardentinnny and Toward routes on a Sunday, this enhancement allows two buses to operate, one on each route. The result is that between 0800 and 1730 hours the Toward timetable is almost the same as weekdays and Saturdays and instead of four irregular journeys from Dunoon to Blairmore (with two extending to Ardentinnny) there are five journeys at regular two hourly intervals between 0900 and 1830 hours all of which extend to Glenfinart thereby serving the whole of Ardentinnny.

The original demand for the Ardentinnny service was made clear in a report commissioned by the National Park authority which involved seeking the views of residents.

The amount shown is shared equally between the two routes which are shown separately in the appendix.

5.3 SERVICE: Rothesay – Kilchattan Bay

CONTRACTOR: West Coast Motors

DESCRIPTION: Modest improvement to the Sunday morning service.

COMMENCED: 18th April 2004

COMMENTS: This improvement, authorised in 2004, is now absorbed within the overall revised Sunday timetable in 4.4 and will be unaffected by the reduction in service. It provides access to the riding school at Kilchattan Bay and also an early Sunday morning connection from the ferry for individuals or parties walking the popular West Island Way.

5.4 SERVICE: Bute Bus Services – Weekdays, Service 490 (Ettrick Bay, Port Bannatyne, Rothesay and Kilchattan Bay) ; Services 491 and 492 (Rothesay Town services)

CONTRACTOR: West Coast Motors

DESCRIPTION: Improvements to Bute bus services on weekdays

COMMENCED: 15th June 2009

COST: No additional cost

COMMENTS: Mondays to Saturdays. The hourly service on 490 was extended from Kerrycroy to Kilchattan Bay. Rothesay town services were re-organised to form a circular route serving Ballochgoy, Barone Road, Hospital, Joint Campus and The Bush with two services an hour, one in each direction. The Area Committee had previously approved expenditure to carry out these improvements but a tender option from West Coast Motors when they won the contract to continue to provide the island's bus services from April 2009 offered these enhancements at no additional cost but with the proviso that Sunday services were reduced slightly and the Canada Hill service withdrawn. The funding, which the Area Committee had authorised previously was then diverted to provide both an improved Sunday service (see 4.4) and the Canada Hill service (see 4.5).

5.5 SERVICE: Dunoon – Portavadie – Rothesay – Dunoon, Services 477, 478, 479 plus Service 473 at Tighnabruaich

CONTRACTOR: West Coast Motors and Tighnabruaich Service Station

DESCRIPTION: Standardisation of timetable on these routes.

COST: £25,938.84 for all services

COMMENCED: Project approved for 2007-08 and inaugurated 15th June 2009

COMMENTS: The initiative improves on the irregular timetable in operation formerly on these routes and gives a basic three journeys each day service Monday to Saturday providing for the first time commute to work opportunities from Rothesay and Tighnabruaich to Dunoon. The timetable is dictated by the Colintraive Rhubodach ferry timetable and thereafter, wherever it is possible, connections are made with the Tarbert ferry at Portavadie and to a lesser extent with the Gourock ferry at Dunoon. In response to a Community Council request a twice weekly local service operates around Tighnabruaich and Kames on Tuesdays and Thursdays connecting with services 477 and 478.

These services form an integrated network and have been shown combined in the appendix.

5.6 SERVICE: Milton and Upper Kirn Route, Services 480/481

CONTRACTOR: West Coast Motors

DESCRIPTION: Increased frequency and extension of route

COST: £42,999.96
COMMENCED: 30th June 2008
COMMENTS: The service was extended to Hunters Quay Holiday Village and the frequency increased to half hourly throughout the whole route. As can be ascertained from the appendix the enhancement has performed well with patronage up 52.2% since 2007, the subsidy per passenger only £0.46 and the Council funding sitting at 57.2% of the total income before concessionary compensation is taken into account.

6. IMPLICATIONS

6.1 Policy – Consistent with maintaining public transport services in line with Council budgetary requirements.

6.2 Financial – Achieves part of the savings required by budgetary constraints for 2010-11

6.3 Personnel – None

6.4 Equal Opportunities – None

6.5 Legal – None.

For further information please contact D. Blades (01546 604193).

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