

Cabinet

14 September 2022

**Discharge of Transport Functions by
Durham County Council 2021/22**

Ordinary Decision



Report of Corporate Management Team

Amy Harhoff, Corporate Director of Regeneration, Economy and Growth

Councillor Elizabeth Scott, Cabinet Portfolio Holder for Economy and Partnerships

Electoral division(s) affected:

Countywide

Purpose of the Report

- 1 To update Cabinet on the transport activity carried out by the Council under delegation originally from the North East Combined Authority (NECA) which has continued under the North East Joint Transport Committee.

Executive summary

- 2 The Council is required to report to the North East Joint Transport Committee annually on the discharge of the functions delegated to the Council. Appendix 2 to this report contains the information which will be reported in respect of the last year.

Recommendation

- 3 Cabinet is recommended to:
 - (a) note the contents of this report.

Background

- 4 When NECA approved its constitution in April 2014, it delegated to Durham County Council transport functions contained in Parts 4 and 5 of the Transport Act 1985 and Part 2 of the Transport Act 2000. These primarily relate to securing socially necessary bus services, concessionary travel, and ticketing on local passenger transport services. Durham's Cabinet approved the delegation of these functions at its meeting of 16 April 2014 to the Corporate Director of Regeneration and Local Services in consultation with the Cabinet Portfolio Holder, Economic Regeneration.
- 5 During 2018, responsibility for transport functions became vested in a statutory Joint Committee comprising of representatives of the new North of Tyne Combined Authority and the North East Combined Authority. It was agreed in a Deed of Cooperation entered into by the seven constituent councils, that the transport functions delegated to the two counties would remain the same pending any decision by the new Joint Committee. No changes to the delegations have been proposed.
- 6 Attached in Appendix 2 is an account of the discharge of transport functions for 2021/22 agreed by the Corporate Director for Regeneration, Economy & Growth and Transport Portfolio Holder, Economy and Partnerships. Appendix 2 is also scheduled to be reported for information to the North East Joint Transport Committee meeting on 18 October 2022.

Background papers

- The North East Combined Authority Constitution
<http://northeastca.gov.uk/wp-content/uploads/2019/07/Constitution-Version-8-June-2019-1.pdf>
- The North East Combined Authority Deed of Operation dated 29 April 2014
- The North East Combined Authority Deed of Cooperation dated 4 July 2018 <https://northeastca.gov.uk/wp-content/uploads/2018/07/Appendix-1-Deed-of-Cooperation-4-July-2018.pdf>

Author

Cathy Knight

Tel: 03000 268512

Appendix 1: Implications

Legal Implications

As detailed within this report.

Finance

Transport functions carried out by or on behalf of the Combined Authority are funded by a levy raised by the Combined Authority. The funding for transport functions in Durham is transferred into the Combined Authority, and the Combined Authority in turn transfers the funding back to the Council to cover the discharge of its transport functions.

Consultation

None specific in this report.

Equality and Diversity / Public Sector Equality Duty

None specific in this report.

Climate Change

All of the areas of transport detailed in Appendix 2 (The JTC Report) contribute to many of the aims of the Climate Emergency by maintaining and encouraging the public to use a comprehensive passenger transport network across County Durham and beyond.

Human Rights

None specific in this report.

Crime and Disorder

None specific in this report.

Staffing

None specific in this report.

Accommodation

None specific in this report.

Risk

None specific in this report.

Procurement

None specific in this report.

Appendix 2: JTC Report

Date: 18 October 2022

Subject: Discharge of Transport Functions by Durham County Council

Report of: Portfolio Responsibility for Transport for Durham County Council

Executive Summary

The purpose of this report is to advise the Committee of how Durham County Council has discharged the transport functions delegated to it by NECA for the 2021/22 year.

Recommendations

The North East Joint Transport Committee is recommended to note this report.

1. Background Information

- 1.1 When NECA approved its constitution in April 2014, it delegated to Durham County Council transport functions contained in Parts 4 and 5 of the Transport Act 1985 and Part 2 of the Transport Act 2000. These primarily relate to securing socially necessary bus services, concessionary travel, and ticketing on local passenger transport services. Durham's Cabinet approved the delegation of these functions at its meeting of 16 April 2014 to the Corporate Director of Regeneration and Local Services in consultation with the Cabinet Portfolio Holder, Economic Regeneration.
- 1.2 During 2018, responsibility for transport functions became vested in a statutory Joint Committee comprising of representatives of the new North of Tyne Combined Authority and the North East Combined Authority. It was agreed in a Deed of Cooperation entered into by the seven constituent councils, that the transport functions delegated to the two counties would remain the same pending any decision by the new Joint Committee. No changes to the delegations have been proposed.
- 1.3 Attached at Appendix A is an account of the discharge of transport functions for 2021/22 agreed by the Corporate Director for Regeneration, Economy & Growth and Transport Portfolio Holder, Economy and Partnerships. Appendix A was reported for information to the County Council's Cabinet meeting on 14 September 2022.

2. Proposals

- 2.1 Members are requested to note the report.

3. Reasons for the Proposals

- 3.1 The NECA operating agreement requires that the relevant Portfolio holder provides reports when required to the North East Joint Transport Committee advising on how the delegated functions have been exercised.

4. Next Steps and Timetable for Implementation

- 4.1 These are identified as far as practicable in Appendix A.

5. Potential Impact on Objectives

- 5.1 The report describes how Durham County Council is discharging transport functions delegated by NECA.

6. Financial and Other Resources Implications

6.1 The transport functions will be funded by the levy issued by NECA to Durham County Council.

7. Legal Implications

7.1 This report is submitted in accordance with obligations contained in the Deed of Operation entered into by the constituent authorities on formation of the Combined Authority.

8. Key Risks

8.1 None specific in this report.

9. Equality and Diversity

9.1 None specific in this report.

10. Crime and Disorder

10.1 None specific in this report.

11. Consultation/Engagement

11.1 None specific in this report.

12. Appendices

12.1 Appendix A – North East Combined Authority (NECA) – Durham County Council Transport Activity Report 2021/22

13. Background Papers

13.1 The North East Combined Authority Constitution
The North East Combined Authority Deed of Operation dated 29 April 2014
The North East Combined Authority Deed of Cooperation dated 4 July 2018

14. Contact Officers

14.1 Cathy Knight, Integrated Passenger Transport Strategic Manager, Durham County Council, cathy.knight@durham.gov.uk, Tel: 03000 268512

15. Sign off

- The Proper Officer for Transport:
- Head of Paid Service:
- Monitoring Officer:

- Chief Finance Officer:

North East Combined Authority (NECA)

Durham County Council Transport Activity Report 2021/22

Introduction

1. This report covers the discharge of the powers delegated to Durham County Council in the period April 2021 to March 2022. The Covid-19 pandemic has naturally continued to have a very substantial impact on activity in this year and continues to have major repercussions.

Organisational arrangements

2. The County Council continues to undertake its passenger transport functions through an 'Integrated Passenger Transport Group' (IPTG) in line with Government's best practice guidance. The IPTG delivers public transport, home to school transport, Special Education Needs (SEN) transport and adult social care transport. It also has close links with health, clinical commissioning groups and the North East Ambulance Service.
3. Integrating transport in this way is especially important in more rural areas, enabling the authority to create packages of work across sectors to maximise the use of vehicles and staff, ensure full use is made of existing local bus services for education and social work purposes and deliver consistency of standards across different modes. The opportunities to integrate commissioning and delivery of local authority transport with non-emergency healthcare transport have also helped to deliver a simpler and more understandable service for the user.
4. The Council also values the benefits of the harmonisation of policy and delivery across the economic development, planning, housing and transport functions. This approach ensures that we can maximise transport's contribution to economic growth in the County.
5. Due to the pandemic, in line with almost all Durham County Council office-based staff, where possible IPTG staff worked from home during much of 2021/22. Normal work continued for activities that could not be done from home, such as printing and distributing bus stop information posters. A hybrid return to 50% office working was made in autumn 2021 and then suspended in line with the resumption of national restrictions. Since March 2022 a 60% return to office working has been made. Functions have been successfully maintained through these various phases.

Bus Service Network

6. The diverse geography of County Durham, including its many rural destinations, creates complex travel demands highlighting the importance of transport across

our rural County. The local bus network plays a key role in our ambitions for County Durham and our wider plan for both transport and the economy.

7. A comprehensive network of bus services operates across almost all the county, although frequencies and coverage are reduced during later evenings and on Sundays, reflecting lower demands for travel.
8. Services operating without subsidy from Durham County Council (“commercial services”) provide a high proportion of the network in most of County Durham. Go North East (53%) and Arriva (42%) provide the majority of the services across the county. Three other firms also run locally significant bus services without subsidy. Most of the main towns of County Durham have at least two operators providing locally significant services without subsidy.

State of Commercial and Subsidised Networks

9. Until the impact of the Covid pandemic from March 2020, much of the bus network had been quite stable for a number of years in terms of the level of service and the service routes, although there have been periodic adjustments to details. However, following temporary changes in the initial pandemic in 2020, more substantive changes have occurred in 2021/22
10. In the period up to September 2021, the government’s Covid-19 Bus Service Subsidy Grant (CBSSG) arrangements, introduced in 2020, continued to provide crucial financial support to bus services. The full normal scale of the bus network was maintained from April 2021 except where Arriva had to reduce the weekday daytime service frequencies on four services from November 2020 primarily due to driver recruitment issues. The Durham Park and Ride also continued to run at a reduced frequency for similar reasons. All DCC’s other subsidised services were maintained as normal.
11. Supplementary school time services introduced from September 2020 continued until July 2021, funded by the government’s Additional Dedicated Home to School and College Travel Grant. The Bus Recovery Grant scheme from early September 2021 provided scope for operators to make a commercial return but did not protect operators from losses. Services could be reduced by up to 10% subject to a tapering reduction in funding levels. In the light of predicted losses, Go North East (GNE) made some material revisions to its services from 4th September as part of a strategy of making a network they considered fit for the future. This included certain new links and enhanced services, but also some economies in frequencies or complete withdrawals of some services which were considered no longer to be commercially viable. DCC awarded new tendered contracts for two services and extended an existing contract to sustain services where the commercial withdrawals would have left communities with no service or lost important links. The costs were covered by LTA Bus Recovery Grant.
12. Driver shortages became an increasing issue from autumn 2021 onwards, with buses failing to run due to no staff being available.

13. To better match scheduled services with the available workforce, from October 2021 Arriva made temporary changes, with services that had run more frequently reduced to three buses per hour during Monday to Saturday daytimes, and one service reduced for part of the route from two to one bus per hour. Most of these changes were restored in April 2022. For the same reason, from January to early March 2022 Go North East operated Sunday timetables on Saturdays on most services from its Consett depot.
14. Both operators have continued to face problems providing fully reliable services, with cancellations continuing to affect passengers.
15. Total bus boardings have continued to be radically affected by the impact of the pandemic. It appears patronage in County Durham has generally followed the experience in other parts of the region, with a bounce back from summer 2021 as pandemic restrictions were eased, and a further growth in the Autumn months. However, by the year end patronage remained at least 20% below pre-pandemic levels, with travel by concessionary pass holders lagging materially behind other passengers. The degree of recovery as the lockdown measures ease remains a matter of concern, with potential large impacts.

Secured Services Retendering Activity

16. The Council's general practice is that contracts for bus services are arranged on 4-year cycles, with an option to extend contract periods up to 5 years. Almost all the Council's contracts were set to expire in October 2021 but were extended to October 2022. New and varied contracts were arranged where necessary to sustain previously commercial services, and two contracts were replaced by new arrangements where driver shortages made the previous contractor unable to continue.

Concessionary Fares

17. Reimbursement payments under Durham's concessionary fare scheme for older and disabled people form the major element of the County Council's spending on public transport. Largely fixed price arrangements have been negotiated with the two major operators, with "cap and collar" provisions to handle deviations from expected volumes.
18. In line with government requests, payments to operators were maintained at pre-pandemic levels except for a proportionate temporary adjustment reflecting the temporary reduction in services from January/February 2021. In March 2022 Durham's Cabinet were advised of the uncertainty of government support and the reduced number of passenger numbers as a result of the Covid pandemic. Cabinet agreed to enable additional support for bus services in County Durham during 2022/23 by redirecting funding from the Concessionary Fares budget.

Multi-Operator Ticketing Scheme

19. The circumstances of the pandemic have delayed progress towards a formal multi-operator ticket scheme. A comprehensive scheme continues to be a key

aspiration, with DCC's ambitions reflected in the proposals in the region's Bus Service Improvement Plan bid submitted in autumn 2022.

Community Transport (CT)

20. The CT sector in County Durham has largely resumed its operations during 2021-22, following a significant reduction or complete suspension of activity in 2020. However for most groups the scale of activities remains reduced.

Home to School/Social Care Transport

21. Home to school and social care transport forms the major part of Durham's operations, with a total spend of approximately £22.5million, net spend after income £18.6million. This includes school transport buses that are paid for by parents and or schools, supplementing the statutory free travel provided by the Council. In the 2021/22 school year, about 6,500 pupils received free travel to school from Durham County Council, with a further 3,000 pupils travelling under the non-statutory concessionary schemes.
22. Overall transport costs have been increasing and are forecasted to rise further in future years. This is largely explained by increases in SEN and special transport demand, increasing contractor prices and increasing expectations and demands from parents and schools.
23. Following an external review, a number of potential initiatives which can impact positively on the existing service were identified. The external review identified a potential opportunity for the Council to deliver efficiencies once fully implemented.

In House Bus Fleet

24. The council operates an in house bus fleet with 15 buses and 19 drivers. These vehicles operate on adult social care journeys for passengers with complex needs. In addition the council operates some on demand transport services. The Link2 service is open to everyone and aims to cater for people who do not have a suitable bus service or are unable to access regular bus services due to mobility issues. The Access Bus provides once a week opportunities for members of the service to access main shopping destinations.

Travel Response Centre

25. The Council has continued to operate a Travel Response Centre (TRC) for the telephone booking of non-emergency Patient Transport Service (PTS) to health appointments, the Council's Link2 service and Access Bus as well as referrals from social workers for client travel to adult day care.
26. The TRC handled over 55,000 calls in 2021/22 compared to 30,000 calls in 2020/21 and 63,000 in 2019/20. This fluctuation has been in response to changes to health appointments and travel restrictions during the pandemic. Bookings for transport are starting to return to pre-pandemic levels.

27. The health booking service is delivered on behalf of the NHS Clinical Commissioning Groups in County Durham. Following an eligibility assessment, patients are booked on to North East Ambulance Patient Transport Services. Patients and visitors who are ineligible for NHS patient transport are advised of alternative services providing access to hospitals or how to make their journey.

Public Transport Information

28. The Council has continued to provide a comprehensive range of passenger information on local bus services operating within the County. This includes maintaining printed timetable displays at over 2,800 bus stops, providing 150 electronic information displays at bus stations and on-street stops and a web based interactive bus map. The interactive bus map shows bus routes and individual timetables for all registered services in downloadable format. A new and improved version of the interactive bus map will go live on 1 June 2022.
29. The Council has also continued to manage the processing of public transport data (via Traveline Information Limited) for the regional and national data sets on behalf of Tyne and Wear, Northumberland, Durham and the Tees Valley local authorities. This data is required for national and regional journey planning, NextBus, electronic displays at bus stops as well as being used by third party applications.
30. The Council has continued to act as the regional contact for national data issues and represent the region at national working groups and meetings. This includes taking an active role in working groups for the DfT Bus Open Data initiative that has changed the way that bus operators provide information about their registered services and make it easier for bus passengers to plan their journeys through access to routes and timetables data, fares and tickets data and real time information.
31. The new regulations require bus operators to publish route, fares and vehicle location data to a central web service called the Bus Open Data Digital Service (BODDS) from January 2021 with requirements being phased in until 2023.
32. The council has provided support to help bus operators meet the new regulations. This includes the council acting as an agent to provide timetable data to BODDS on behalf of seven small bus operators for services that operate in County Durham.

Real Time Passenger Information

33. The data management role for the North East Real Time Passenger Information (RTPI) has continued to be shared by Durham County Council and Nexus. Durham is responsible for submitting public transport data to the regional data broker for County Durham and Tees Valley led services. Nexus is responsible for Tyne & Wear and Northumberland led services.

Bus Service Improvement Plan and Enhanced Partnership

34. The Council has been actively involved in developing the region's Bus Service Improvement Plan and associated Enhanced Partnership in association with regional partners. On 4 April 2022 the region received a letter from DfT which offered indicative funding of up to £163,521,172. The letter did not constitute a formal or binding grant offer. There are a number of actions that must be completed by the region before final funding may be confirmed.
35. In addition whilst the funding amount is significant, being the largest indicative funding amount for any BSIP, it does not cover the costs for full delivery of all of the North East BSIP proposals. As such the region is currently prioritising proposals. These prioritised proposals will then need to be discussed further with the DfT.
36. The council has established the County Durham Local Bus Board. The board aims are:

The overarching aim of the County Durham Local Bus Board is to allow representatives from across County Durham to meet with bus operators' representatives to increase understanding between the parties involved, specifically but not limited to, reporting and discussion of forthcoming bus service changes in the Council area and consideration of bus network planning work which may be carried out at a regional level. It may also include improved working arrangements for the discussion of bus service reliability such as service improvements, highway infrastructure measures, fares initiatives or information to the public.

The County Durham Local Bus Board will not be a public meeting. Attendance at Board meetings will be by invitation only and is expected to include:

- the Cabinet Portfolio Holder for Economy and Partnerships
- a representative of each of the County Durham Area Action Partnerships
- representatives of NEBus, the bus operators' association, encompassing the providers of services across the North East
- a representative of the Disability Partnership
- a representative of the Youth Council

The Board is not a decision-making body. Meetings will be chaired by the Cabinet Portfolio Holder for Economy and Partnerships unless otherwise directed by the Cabinet Member.

DfT Capability Fund

37. The DfT allocated £301k revenue funding to the Council for sustainable travel. This funding has been used to continue the Living Streets 'Walk To' sustainable travel to school project that has been delivered in County Durham since 2012. The funding has also been used to support projects that align with the Local Cycling and Walking Infrastructure Plan delivery.

Wheels to Work County Durham

38. The successful County Durham Wheels to Work (W2W) scheme has continued to develop and has now expanded to cover the whole of the County. This scheme, established in 2016, provides people who are experiencing difficulties in accessing employment or training with the loan of a scooter until a longer-term transport solution can be found. The scheme is managed by Wheels to Work County Durham Charitable Incorporated Organisation (CIO).

39. The scheme continued to operate during the Covid-19 restrictions, although the number of clients was reduced. The scheme operated 40 scooters and supported 42 people into work or training during 2021/22. A total of 272 people have been supported since the scheme started. The scheme is funded by Durham County Council transport revenue budget as well as Area Action Partnerships and the Local Transport Plan. External grant funding has also been successfully secured. Additional funding opportunities will continue to be explored.