

Cabinet

12 July 2023



**Discharge of Transport Functions by
Durham County Council 2022/23**

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.
- 3 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. 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 Appendix 2 of this report is an account of the discharge of transport functions for 2022/23 agreed by the Corporate Director for Regeneration, Economy & Growth and Transport Portfolio Holder, Economy and Partnerships. It details the discharge of the powers

delegated to Durham County Council in the period April 2022 to March 2023 and covers the following areas:

- Organisational arrangements
- Bus Service Network
- Concessionary Fares
- Multi-Operator Ticketing Scheme
- Community Transport (CT)
- Home to School/Social Care Transport
- In House Bus Fleet
- Travel Response Centre
- Public Transport Information
- Real Time Passenger Information
- Bus Service Improvement Plan and Enhanced Partnership
- Wheels to Work County Durham

5 The Covid-19 pandemic has naturally continued to have a very substantial impact on activity in this year and continues to have major repercussions.

6 Appendix 2 is scheduled to be reported for information to the North East Joint Transport Committee meeting on 19 September 2023.

Recommendation

7 Cabinet is recommended to:

- (a) note the contents of this report.

Discharge of Transport Functions

- 8 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.
- 9 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.
- 10 Appendix 2 of this report is an account of the discharge of transport functions for 2022/23 agreed by the Corporate Director for Regeneration, Economy & Growth and Transport Portfolio Holder, Economy and Partnerships. It details the discharge of the powers delegated to Durham County Council in the period April 2022 to March 2023 and covers the following areas:
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 - Wheels to Work County Durham
- 11 The Covid-19 pandemic has naturally continued to have a very substantial impact on activity in this year and continues to have major repercussions.

- 12 Appendix 2 is scheduled to be reported for information to the North East Joint Transport Committee meeting on 19 September 2023.

Summary

- 13 Durham County Council has discharged the transport functions delegated to it by NECA for the 2022/23 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.
- 14 A broad range of services have been delivered across the spectrum of passenger transport functions with the Covid-19 pandemic having continued to have a very substantial impact on activity in this year and continues to have major repercussions.

2023/24 Report

- 15 When the new Mayoral Combined Authority is created it is likely that the council will continue to have transport functions delegated to it and will be required to report on the discharge of these powers to the new combined authority (NEMCA) going forward

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>

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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: 19 September 2023

Subject: Discharge of Transport Functions by Durham County Council

Report of: Portfolio Responsibility for Transport for Durham County Council

Executive Summary

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. 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.

This report covers the discharge of the powers delegated to Durham County Council in the period April 2022 to March 2023 and covers the following areas:

- Organisational arrangements
- Bus Service Network
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- Bus Service Improvement Plan and Enhanced Partnership
- Wheels to Work County Durham

The Covid-19 pandemic has naturally continued to have a very substantial impact on activity in this year and continues to have major repercussions.

Recommendations

The North East Joint Transport Committee is recommended to note the contents of 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 2022/23 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 12 July 2023.

2. Proposals

- 2.1 Members are requested to note the contents of this 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 2022/23

Introduction

1. This report covers the discharge of the powers delegated to Durham County Council in the period April 2022 to March 2023. 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.

Bus Service Network

5. 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.
6. 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.
7. 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

8. 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 occurred in 2021/22 with further changes continuing into 2022/23.
9. The temporary government funding that has sustained bus operators and transport authorities through the effects of the pandemic reduced from September 2021 and was set to expire at the end of March 2022, then extended to the end of September 2022. The government asked operators and transport authorities to consider what the sustainable network would be in the light of the ongoing impact of changes in travel behaviour, taking into account the impact on the commercial viability of services and the funding available for securing services under subsidy contracts.
10. Arriva and Go North East reduced the scale of their commercial (unsubsidised) bus services in this period, mainly with effect in April (Arriva) and July (Go North East). The changes by Go North East were extensive and included the closure of their depot at Chester-le-Street. The smaller operator sector also saw reductions, with Scarlet Band ceasing to trade in October 2023.
11. New subsidised service contracts were arranged to sustain services where the commercial withdrawals would have left communities with no service or lost important links. This was integrated with the replacement of DCC existing contracts where in most cases the contract period expired in October 2022.
12. The government's Bus Recovery Grant for operators and equivalent Local Transport Fund for transport authorities was subsequently extended to March 2023, and then the end of June 2023. It continues to be an important underpinning of the viability of the network, amounting to over £3 million in 2022/23.
13. Shortages of drivers continued to be an issue throughout 2022/23, with Arriva and Go North East making temporary reductions in timetables in autumn 2022.
14. Arriva restored some of the reductions from October 2022, when their staff position appeared to be improving, but worsening recruitment and retention issues caused significant unreliability on services up to March 2023. To address this, in February 2023 Arriva advised they would not be able to continue to operate two services under subsidy contracts that had been expected to extend beyond their initial contract period. .

15. Go North East largely addressed its driver shortage following a pay settlement and recruitment drive, although the closure of Chester-le-Street depot caused issues for some services.
16. Bus usage has continued to be affected by the impact of changes in travel behaviour. Total bus journeys boarding in County Durham increased from 15.6m in 2021/22 to estimated 17.7m in 2022/23, but remain about 20% below pre-pandemic levels.
17. The net spend on local bus service in 2022/23 increased to £3.288million in 2022/3 (after taking into account Local Transport Funding of £1.574million).
18. All operators in County Durham joined the government's initiative that temporarily capped single fares at £2 from January 2023. (This was initially funded to March 2023 and subsequently extended to June 2023) This has resulted in extra patronage, although actual fares income has declined materially, so this scheme has only been possible with the temporary funding. continue.

Concessionary Fares

19. 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.
20. In line with government guidance, in 2022/23 reimbursement payments to operators commenced a transition from the exceptional arrangement that had applied in 2020/21 and 2021/22/. Cabinet agreed to redirect the consequential saving in the Concessionary Fares budget to enable additional support for bus services in County Durham up to March 2024

Multi-Operator Ticketing Scheme

21. The multi-operator ticket schemes contained in the region's Bus Service Improvement Plan were not able to be implemented in 2022/23 due to delays in the confirmation of government funding.

Community Transport (CT)

22. The CT sector in County Durham has largely maintained its operations during 2022-23. However for most groups the scale of activities remains below pre-pandemic levels..

Home to School/Social Care Transport

23. Home to school and social care transport forms a considerable part of Durham's operations, with a total spend of approximately £30million, net spend after income £26million. 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 2022/23 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.

24. Overall transport costs have increased materially 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.

In House Bus Fleet

25. The council operates an in house bus fleet with 15 buses and 19 drivers. These vehicles operate a range of services including adult social care journeys for passengers with complex needs,
26. and demand responsive transport (DRT) services. The Link2 DRT service provides transport 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

27. The Council operates 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.
28. The health booking service is delivered on behalf of the NHS Clinical Commissioning Groups in County Durham under a Service Level Agreement. 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. With additional GP surgeries in North Durham included from 1 July 2022, the TRC now takes bookings for all GP practices in County Durham.
29. The TRC handled over 63,000 calls in 2022/23 compared to 55,000 calls in 2021/22 and 30,000 calls in 2020/21. This increase has been in response to the inclusion of additional GP practices from July 2022 as well as changes to health appointments and travel restrictions during and after the pandemic.
30. 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.
31. 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

32. 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.
33. The Council has also continued to work in partnership with other local authorities in the region for 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. Best practice on passenger transport information has also continued to be shared and advice provided to the Tees Valley and other local authorities through various working groups and contacts.
34. 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.
35. 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.
36. 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

37. 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.
38. Officers are supporting the specification and procurement of a new RTPI system for the region that is anticipated to go live in April 2024. This system will provide more accurate and reliable data for the predicted arrival time of local bus services and inform the traffic control system to provide bus priority when appropriate.

39. A new contract has been awarded for the supply of new electronic passenger information displays at the new Durham and Bishop Auckland bus stations and other locations across the county. These displays will improve the quality and management of information displayed for bus passengers.

Bus Service Improvement Plan and Enhanced Partnership

40. 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.
41. 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.
42. 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.

Wheels to Work County Durham

43. The successful Wheels to Work (W2W) scheme has continued to expand and provide access to employment and training across County Durham. This scheme provides the loan of a scooter or bicycle until a longer-term transport solution can be found. The scheme is managed by Wheels to Work County Durham Charitable Incorporated Organisation (CIO) and supported by a range of external partners including ACE Motorcycles, Pulman Group and Halfords.
44. The scheme operated 46 scooters and supported 51 people into work or training during 2022/23. A total of 327 people have been supported since the scheme started. The scheme is supported by Durham County Council transport revenue budget and capital funding from the Local Transport Plan. The scheme has continued to secure external grant funding and recent successful funding awards has allowed the scheme to operate until March 2024.
45. Developments in 2022/23 include securing the support of Pulman Group to sponsor the scheme and enabled the introduction of a fleet of 16 new electric scooters. A fleet of bicycles has also been added to the offer and has supported 62 people getting access to work and training.
46. Durham County Council has continued to be represented on the Steering Group to lead the management of the scheme and explore additional funding opportunities.

Summary

47. Durham County Council has discharged the transport functions delegated to it by NECA for the 2022/23 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.
48. A broad range of services have been delivered across the spectrum of passenger transport functions with the Covid-19 pandemic having continued to have a very substantial impact on activity in this year and continues to have major repercussions.