

## READING BOROUGH COUNCIL

POLICY COMMITTEE

8 APRIL 2019

### QUESTION NO. 1

Simon Smart to ask the Lead Councillor for Strategic Environment, Planning and Transport:

#### Concessionary Bus Travel

In April 2017 the Reading concessionary travel scheme was reduced to legal minimum time coverage, and in 2018 bus services to Caversham were cut substantially on profitability grounds. The council has consulted on cuts to the remaining discretionary provisions and even if they have been deferred, it seems likely that further cuts will be made to buses or Readibus provision in the future. According to a recent FOI request, the difference between the average commercial fare in Caversham and the rate received for older citizens making use of their bus pass is 53p per trip. As the wards North of the river are substantially older on average than Reading as a whole, it is no surprise that the discrepancy in fare reimbursement leads to a shortfall, and thus a lack of profitability, on those routes. Indeed, in Caversham there is a relative shortfall of £20,000 per four-week period, or approximately £260,000 per year. An amount that Tony Pettitt, the Chief Finance Officer at Reading Buses, says would be sufficient to “allow the routes to make a small profit across the year.” It appears that the concessionary fares scheme run by Reading Borough Council has had the inadvertent effect of prioritising services for the young and able-bodied over those in the community who are more vulnerable. The council is explicitly stating that bus services as used by older people are less valuable. Older people and Caversham residents feel devalued and the council is indirectly discriminating against older residents by allowing their arms-length company to cut services as a result. It would be doing a grave disservice to the community if providing a subsidised bus service to the elderly had the long-term result of providing no bus service to the elderly. As the sole owners of Reading buses, the council has both the ability and the responsibility to consider how its demographic, usage and financial data are considered. What will the council do to ensure that the distribution of users of concessionary bus passes in Reading is taken into consideration in its accounting, such that the tradeoff between fare levels, bus usage and council subsidy doesn't automatically fall in favour of harming more vulnerable residents and users?

REPLY by Councillor Page (Lead Councillor for Strategic Environment, Planning and Transport):

I thank Mr Smart for his question.

Reading Buses, as an arm's length operating company, is required under the Transport Act 1985 to make commercial decisions as to what services it operates and to what frequency, and to charge the appropriate fares. Decisions on increases

or decreases in services are made to reflect the operating and commercial conditions in which the company operates. Any bus company will increase or decrease frequency, add new routes, cut unprofitable services and change fares in order to remain a viable company.

If a bus company does not remain viable it will cease operations, as has happened in several cases around the Thames Valley, resulting in severe loss of public transport options for residents. As Reading Buses is wholly owned it has to balance commerciality of operations with the social expectations of Reading Borough Council, but cannot legally simply be subsidised by taxpayers. Reading Borough Council does require Reading Buses to consider the social implications of changes to routes and frequencies in its planning process.

The calculation made in order to reimburse bus companies for the carriage of elderly and concessionary pass holders is in accordance with formulae published by the Department for Transport. This takes account of the average fares paid by fare paying passengers as well as other factors, and is designed to reimburse bus companies to be no better or worse off due to having carried those pass holders. An artificial increase in the concessionary rate reimbursed to a bus company would amount to a subsidy, not 'reimbursement' as defined by the English National Concessionary Fares Scheme.

Councils are separately permitted to subsidise bus routes and services if bus services provided by commercial bus services are not sufficient to meet the needs of particular user groups. Given that Reading Buses have tailored their changes around the times and areas where there is the greatest level of use, there is no clear case that those needs are not being met.

However, in Caversham, Reading Buses has experienced severe operating difficulties and has reduced frequency of some services in order to counter the effects of traffic congestion, caused in part by the travel choices of Caversham residents and those in South Oxfordshire and beyond. Therefore peak services which get stuck in severe traffic congestion cannot maintain the same frequency of service as was previously possible due to rising congestion with more people choosing to drive. The bus company cannot afford to add additional buses to merely get stuck in traffic as there is less revenue available to support the services.

By way of illustration, the 23 and 24 services previously had a 50 minute round trip time. These services now have a 60 minute round trip time, which is a 20% increase in running cost per trip. Clearly, Reading Buses could not generate that level of patronage increase over night, so a frequency reduction was required to balance the books.

Until a few years ago the number of buses commercially provided each hour, to and from Caversham for the majority of the day, was 16, with 13 of these provided by Reading Buses, (on average a bus every 3.75 minutes). Recently operators based in Oxford and High Wycombe have increased their services into Reading resulting in increased 'on the road' competition for passengers.

Whilst Reading Buses has made reductions in some services, for the reasons outlined above, there are still 13 buses an hour off peak and 15 buses an hour at peak times. 5 buses an hour (at least a third) are being operated by other commercial bus companies having no social responsibility for wider public transport in Reading and Caversham.

I understand Mr Smart's concern about the reimbursement formula for trips made by senior citizens, but it is not a scheme devised by the Council and is laid down by national Government. Neither is it the real problem that needs addressing.

The real issue for public transport north of the river is the very constrained road network, and the obvious difficulty the Council experiences in providing new bus priority measures, which are so fundamental to delivering more reliable and faster public transport services.

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### QUESTION NO. 2

Ayo Sokale to ask the Leader of the Council:

#### Brexit

With the increased uncertainty of Brexit what can we do locally to ensure that European citizens who reside in Reading are kept informed, and how can we ensure that once we leave the EU the rights of Reading's EU residents are protected?

REPLY by Councillor Lovelock (Leader of the Council):

Thank you for the question, which is one that is worrying so many people in Reading.

The Council recognises the important contribution played by the many EU citizens who live and work in Reading and we want them to stay.

The UK government has reached an agreement with the EU that will protect the rights of EU citizens and their families living in the UK. The EU Settlement Scheme is now open for applications and I am pleased to say the fee that was initially proposed has now been scrapped.

Applications can be made online now at <https://www.gov.uk/settled-status-eu-citizens-families> and the government has recently been promoting this through a national advertising campaign.

The ongoing uncertainty over Brexit must be very concerning for EU citizens in Reading and the rest of the country. However, the government had said the EU Settlement Scheme will continue to operate should the very concerning possibility a 'no deal' scenario for EU citizens resident in the UK by 12<sup>th</sup> April 2019 happen. They will have until the end of 2020 to apply.

I would encourage people to check the government website at <https://euexit.campaign.gov.uk/> for the most up-to-date information.

Citizens Advice Reading are also providing information on their website: <https://www.citizensadvice.org.uk/immigration/staying-in-the-uk-after-brexit/staying-in-the-uk-after-brexit/>

I think it is really important to make it clear to EU citizens and people from across the world that they will always be welcome in Reading. In particular, many people are also worried about staffing for the NHS, Care Services and services such as the hospitality and retail sectors. We need to do all we can to encourage people to apply to remain here if and when Brexit happens.

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**COUNCILLOR QUESTION 1**

Councillor White to ask the Lead Councillor for Neighbourhoods and Communities:

**Fly tipping in East Reading**

Fly tipping household waste in East Reading is a real problem in the area that my Green Party colleagues and I have been working on. Part of the solution to this problem is catching and fining people who dump waste on our roads and pavements. Please can you confirm how many people have been fined for dumping waste each month over the previous 12 months?

**REPLY** by Councillor James (Lead Councillor for Neighbourhoods and Communities):

Illegal fly-tipping is a national problem as enforcement budgets remain under pressure and demand increases. Fly-tipping in Reading tends to be low level rather than the large accumulations seen in rural areas. Some areas near to recycling banks are a particular target where items of furniture and black bags are the main items being dumped. Trade waste fly-tipping and non-compliance with waste regulations are also a factor. In the past 12 months 86 penalties have been issued for fly-tipping in Reading.

Many of the items which are dumped do not allow officers to identify the culprit, often being items of furniture or single bags of general waste with no distinguishing information which can lead to a fine being issued.

Officers are currently working on a range of solutions to increase the current levels of environmental enforcement activity, and a trial installation of a mobile CCTV enforcement camera will begin in the near future at a recycling site which has experienced high levels of fly-tipping.

If Councillor White, or any other councillor, receives any community intelligence about who may be responsible for fly-tipping, please pass information to relevant officers. Please also encourage residents to use our excellent RE3 facility where many items can be recycled.