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An overview of the Integrated Transport Pilot

1 Overview

This paper provides an overview of the *'Integrated Transport Pilot'* co-ordinated by the Department for Regional Development (DRD) during the previous NI Assembly mandate (2011-16) and within the old departmental structures. This paper includes:

- an introduction to the pilot scheme including its aims and objectives;
- an assessment of the impact of the pilot as reported in the evaluation report;
- an overview of lessons learnt as identified in the evaluation report; and
- an update of plans being brought forward.

The information provided in this paper is derived almost exclusively from correspondence between the DRD and Committee for Regional Development (CRD) between January 2013 and February 2016. It is intended to bring members up-to-date with this initiative in advance of any further correspondence with the DfI on this subject.

2 Background and context

Public transport offers significant social, economic and environmental benefits, but providing a public transport system that is fit for purpose requires substantial levels of government support. Invariably public transport is not sustained on fare income alone and across Europe levels of subvention range between 20% and 60% of the network operating costs.¹ In addition to subsidising mainstream public transport, governments commonly provide support for home-to-school, medical and rural transport services.

Government investment in public transport directly impacts the quality of service, which in turn determines usage. In Northern Ireland investment in public transport has traditionally been low, as have usage levels.² Despite a significant increase in funding in the years following the publication of Northern Ireland's Regional Transportation Strategy (2002), on a per capita basis, England, Scotland, Wales and the Republic of Ireland have been investing at least twice as much as Northern Ireland.³

2.1 Budgetary constraints

In its most recent business plan Translink highlighted the difficulties it faces with regards funding. Translink had for a number of years received in excess of £70 million per annum in resource funding.⁴ However, for 2015/16 Translink's funding was reduced to £60.8m (- £15.4m or 20% on 2013/14). Translink has indicated that this level of cut will "...inevitably lead to a combination of increased fares and, potentially, reductions in (and the cessation of) some bus and rail services".

The second largest provider of publically funded transport is the Department for Education (DE). DE spends on average around £73m per annum on Home to School Transport (HST).⁵ About a third (34%) of all HST transport revenue expenditure is accounted for by Education Authority vehicles while 40% is by Translink services.

Overall Translink relies on public sector funding (HST and concessionary fare reimbursement) for at least two-thirds of its total revenue. This is problematic as the company, or at the very least, the services it provides are vulnerable to the types of budget cuts which have prevailed in recent years. Budget reductions conflict with DfI's stated aims of enhancing public transport provision and increasing passenger numbers.

¹ (EMTA) European Metropolitan Transport Authorities (2008) 'Finding new resources for public transport'. *EMTA Brief* [online] available from: <http://nia1.me/no>

² See NIAR 537-12

³ RICS (2011) *Public transport spending must be prioritised*. Published 30 June 2011 [online] available from: <http://nia1.me/ui>

⁴ Translink (2012) Evidence given to Committee for Regional Development 16th April 2012

⁵ PAGE 57 (2012) The Report of the Independent Review of Home to School Transport [online] available from:

2.2 Towards integrated service provision

The DRD (whose functions now sit within the Department for Infrastructure (DfI)) and Translink were therefore challenged with improving the quality of public transport services and attracting more passengers while increasing productivity, reducing costs and cutting subsidies. The Regional Transportation Strategy (2012) states that one approach to achieve this is to better integrate existing transport services to achieve operational efficiencies.⁶

While DRD (DfI) and DE, through their HST arrangements, do demonstrate a certain level of service integration there was a strong feeling that more could be done with a significant resource also existing within the publically funded Department for Health (DH) and the Rural Community Transport (RCT) providers.⁷ This prompted the former Department for Regional Development (DRD) to establish a pilot project in the Dungannon area to trial the opportunities for an integrated approach to the delivery of publically funded passenger transport services.

3 The pilot: an introduction

The mechanisms that would enable the passenger transport services, delivered by various publically funded bodies, to be better integrated had never been considered in detail in Northern Ireland. Therefore, the decision was taken by the former DRD to set up a pilot project to consider how and if a more joined up approach to service delivery could deliver improved operational efficiency and increased options for people needing to travel.⁸

3.1 Stakeholders

The Department for Regional Development (DRD) undertook to coordinate the project with other participants drawn from a number of Government Departments, the Health & Social Care Board, the Southern Health and Social Care Trust, the Education Authority (previously the Southern Education and Library Board), Translink, the Cookstown, Dungannon and Magherafelt (CDM) Community Transport, the Consumer Council and the Federation of Passenger Transport, representing private transport operators.

3.2 Location

The location of the pilot was the “Dungannon area”. This consisted of the administrative area of Dungannon and South Tyrone Borough Council (now part of Mid-Ulster District Council) which covers an area of approximately 780 square kilometres with a

⁶ DRD (2012) Ensuring a Sustainable Transport Future: A New Approach to Regional Transportation [online] available from: <http://nia1.me/3a5>

⁷ See Committee for Regional Development inquiry into *the Better Use of Public and Community Sector Funds for the Delivery of Bus Transport in Northern Ireland* - Reference: NIA 65/11-15 [online] available from: <http://nia1.me/3a6>

⁸ PARA 2.1 Integrated Public Passenger Transport Pilot Project

population of 59,000 (2011 Census). The main settlement is Dungannon town, with an estimated population of 15,862, while the town of Coalisland with a population of 8,662 is the next largest settlement (2011 Census). However, the borough is essentially rural in character with approximately 70% of people living in smaller villages or the countryside.⁹

Figure 1: Dungannon area



Source: DRD (2015)

3.3 Summary of measures

The pilot focused on testing the concept of service integration in a number of areas, including:

- **A Review of Home to School Transport in Dungannon Area:** an exercise, involving eleven school services aimed at minimising the total number of drivers and vehicles required across Translink and the Education Authority to transport pupils to school;
- **Clogher Valley Bus Service:** a trial involving Education Authority school buses operating an off-peak public transport service from the Clogher Valley area to Dungannon town centre;
- **Community Transport Primary School Service:** a trial of the wider deployment of community transport providers in this instance involved CDM Community Transport operating a school service to Walker Memorial Primary School in Castlecaulfield;
- **Day Opportunities Transport:** this involved the Southern Health & Social Care Trust and Community Transport working collaboratively to deliver transport for young people on the Day Opportunities scheme; and

⁹ Annex 1 Integrated Public Passenger Transport Pilot Project (Page 54)

- **Enhanced Translink 75A Service to Craigavon Area Hospital:** this initiative involved Translink working in partnership with CDM Community Transport to market and provide an integrated travel solution for users through the introduction of two additional evening services to Craigavon Area Hospital.

3.4 Pilot Project Constraints

The DRD's review of the pilot project identified a number of constraints that it states will *"...need to be addressed if integration of services is to be implemented more widely on a permanent basis."* Among the main constraints were:

- The DOE and EU legislative arrangements for operator licensing, which limited the wider use of publicly funded vehicles and drivers to provide public passenger services in the most flexible way possible;
- The difficulty of extracting actual savings in personnel and vehicles in the limited timeframe and scale of the pilot project until the long-term model for integrated service delivery is agreed;
- Different terms and conditions of employment of operational staff from the different participating organisations;
- Limited time for passenger growth due to the short timescale of the trial services; and
- Redeployment of human resources could not take place in the limited time available for the pilot project, so the full extent of human resource issues could not be assessed.¹⁰

4 Transport provision in the Dungannon area

There is significant public passenger transport provision in the Dungannon Council area with Translink, the Education Authority, Community Transport, Southern Health & Social Care Trust and a number of private operators running services in the area. The public transport resource and cost of publically funded transport in the Dungannon area are outlined in table one below.

Table 1: Public Transport Resource and cost in the Dungannon area

Provider	Service	No. of Buses	No. of Drivers	Cost of provision (£000s)
Ulsterbus	Public Transport and HST	45	54	2,489
Education Authority	HST	51	51	1,947
Southern Health and Social Care Trust	Day care	3	3	176
Community Transport	Demand Responsive	5	6	355
Total		104	114	4,967

¹⁰ PARA 2.9 1 Integrated Public Passenger Transport Pilot Project (page 12)

5 Assessment of trial measures

The five measures trailed during the pilot project were highlighted in section 3.3 of this paper. The outcomes of the measures were assessed as follows:

- **The Review of Home to School Transport in Dungannon Area** aimed to minimise the total number of drivers and vehicles required across Translink and the Education Authority to transport pupils to school.
 - A total of 45 pupils transferred from an Education Authority bus onto a Translink bus. This enabled this bus to be redeployed to an area requiring extra capacity; tendering for this additional capacity would have cost £15k per annum.
- The trial involving **Education Authority school buses operating an off-peak public transport service** from the Clogher Valley area to Dungannon town centre was positively received. However, user numbers were low and the service was discontinued in June 2015.
- According to the review, the trial in which **CDM Community Transport operated a HST service** is an “...*excellent example of [how] resources can be used more flexibly*”.
- The trial involving **CDM Community Transport delivering transport for young people on the Day Opportunities Scheme**, also produced positive results. Transport solutions were found for all participants in the area and savings of £7K were achieved. The report highlights the issue of transport to day care being an emerging issue within the context of ongoing reform of health care provision in NI.¹¹

6 Key findings and recommendations

The evaluation report has shown that there is significant potential for the delivery of co-ordinated and integrated transport services that will potentially benefit the public purse as well as service users. The report highlights that progress was made without incurring any significant additional costs outside of the project running costs, and, in some cases, has led to cost reductions in the cost of transport provision. This was largely due to the resource, including specially adapted vehicles, which is held among the various bodies.

While highlighting the potential the evaluation report contains a number of caveats. It suggests that more significant operational and organisational changes would be required to ‘roll out’ the pilot across NI. It suggests that while current financial constraints are a significant driver of integration and call for haste, it is likely that a slower phased approach to integration will be the best way forward, enabling all stakeholders to learn important lessons and refine plans.

¹¹ PARA 4.6

6.1 Options for integration

An economic appraisal of integration options was conducted in addition to the project evaluation. This appraisal considered a number of options for the integration of public transport, finally recommending two changes:

1. Integrating planning and operation of services provided by the two biggest fleets of large and medium sized buses owned by Translink and the Education Authority; and
2. Integrating the planning and operation of the specialist and demand responsive transport services, including:
 - i. The specialist transport services operated by the Health and Social Care Trusts, but excluding the non-emergency Patient Care Service run by the Northern Ireland Ambulance Service.

7 Updates

At a briefing provided to the CRD by DRD officials on Wednesday 3 February 2016 members were informed that a steering group, chaired by the DRD Permanent Secretary and made up of senior representatives from the DRD, DE, the Education Authority, DHSSPS, the HSC Board, the DOE and Translink had been established. The steering group agreed that the work on integration proposals should be taken forward under two strands as follows:¹²

7.1 Strand 1

Translink and the Education Authority to carrying out a comprehensive review of the school transport and public transport services operated by the two bus fleets with a view to achieving efficiencies through improved network planning and utilisation of available vehicles.

The initial focus of this work was to explore improvements in the efficiency, effectiveness and value for money of home to school transport services and to take forward any possible improvements during the 2016/17 financial year, noting that some improvements may take longer to deliver.

As this work progresses, Translink and the Education Authority will also consider the longer-term strategic approach and passenger benefits that might be achieved from full integration of the two fleets under Translink's control. This further work will be undertaken once sufficient progress has been made on the initial work to assess the scope for improvements that can be achieved in 2016/17.

¹² DALO/D7/2016 26th January 2016

7.2 Strand 2

The Department for Regional Development, in consultation with the other participating organisations, is developing proposals on the scope, governing principles and approach to integration of the following services:

- The specialist statutory and routine transport services required by Health and Social Care Trust clients and the transport required for Day Opportunities participants;
- The specialist statutory transport services required by some pupils with special educational needs and the pupil transport services delivered by minibuses in rural areas; and
- The demand-responsive services funded by DRD for people in urban areas who, because of their age or disability, cannot use mainstream public transport services and also the demand-responsive services provided to address the transport needs of people living in rural areas where there is limited access to mainstream public transport services.