

# Rural Services APPG

**All-Party Parliamentary Group on Rural Services**  
**19<sup>th</sup> January 2016, 12:00pm**  
**Room P, Portcullis House, Bridge Street, London, SW1A 2LW**

## **PRESENT**

Graham Stuart MP  
John Howell MP  
Chris Davies MP  
Kevin Hollinrake MP  
Lord Ewan Cameron  
Sam Hall – Office of Graham Stuart MP  
Tom Kennedy – Office of Jesse Norman MP  
Elizabeth Simister – Office of Tom Tugendhat MP  
Josh Boughton – Office of Philip Dunne MP

## **Secretariat**

Graham Biggs – RSN  
Andy Dean – RSN

## **Others in Attendance**

Cllr Sandra Cage – LGA Public Transport Consortium (Ipswich & Suffolk)  
John Pope – LGA Public Transport Consortium  
Gary Nolan – Stagecoach UK Bus  
Cllr Chris Brewis – LGA Public Transport Consortium (Lincolnshire)  
Stephen Joseph – Campaign for Better Transport  
Martin Abrams – Campaign for Better Transport  
Clinton Jones – Association of Transport Co-ordinating Officers  
John Birtwistle – First Group

## **Apologies**

Julian Sturdy MP  
Dr Daniel Poulter MP  
Jo Churchill MP  
Jesse Norman MP

Philip Dunne MP  
Eleanor Laing MP  
Geoffrey Clifton-Brown MP  
Huw Merriman MP  
Graham Evans MP  
Baroness Hazel Byford  
James Cleverley MP  
Maria Caulfield MP  
Holly Jago (Calor)

**1. Notes of previous Meeting**

The notes of the previous meeting were noted.

**2. The value of bus services in rural areas**

As stated on the agenda, “A wealth of recent research proves the overwhelming case for the provision of rural bus services to meet the needs of older people, young people, the unemployed, those on low incomes, disabled people and businesses and to deliver economic growth. However, bus services are often threatened by a lack of cross service and cross sector thinking.”

John Birtwistle gave an overview explaining that 80% of bus services are provided commercially and, where a gap exists, local authorities are able tender for additional services. It was pointed out, however, that whilst authorities had a duty to identify needs, action to address any need identified is not a statutory requirement. The financial constraints on local authorities has forced many to cut services, despite an overall increase in bus patronage across England and Wales of 8%.

Operators and local authorities had been very pleased to see the retention of the Bus Services Operating Grant (BSOG) as a key tool in enabling the provision of rural bus services. It was the case that Bus Operators received a 50% reduction in Fuel Duty Rail Operators got 100%. Operators also receive funding through concessionary fares, the precise amount of which varies from area to area. However, increasing numbers of concessionary pass holders can lead to problems of sustainability with some services being well patronised but operating at a loss due to the proportion of subsidised passengers.

John emphasised the significant contribution of rural buses to the economy with research by Greener Journeys, for example, demonstrating that for every £1 spent by government on rural buses, £3.50 of wider benefit is generated. This not only relates to helping residents to access local businesses, services and employment but also in helping to keep an increasingly ageing population active with consequent significant reductions in health and social services expenditure.

John outlined a desire across operators and local authorities for greater awareness of the benefits of rural bus services in taking policy and funding decisions.

During discussion a range of points were raised. The opportunities afforded by improved broadband communications were discussed alongside the need for community transport and commercial services to complement each other rather than compete for the same customers.

The impact of cuts so far varies greatly around the country and a 'Buses in Crisis' report had been produced by the Campaign for Better Transport in November 2015 (available via this [link](#) ). In some areas innovative schemes are in place and partnerships work effectively whilst in some areas this has proved more difficult. Cross boundary issues also exist, particularly where adjoining local authorities approach services in different ways and there is a clear need for LEPs to consider revenue costs alongside proposals for capital infrastructure, both in terms of maintaining the capital investment and essential bus and other services.

The fact that local authority subsidised services are discretionary in a period of significant financial constraint was acknowledged as a fundamental issue. Any attempts to improve the distribution of existing resources to better reflect the additional net costs of rural service provision would be very welcome.

Graham Biggs referred to the unfair treatment of rural Councils in the allocation of government funding power which rural MPs were challenging and in some ways lay at the heart of the funding issues relating to rural buses

Going forward it was agreed that BSOG should be retained. The representatives present were asked to consider the sort of actions which they would like to see included or enabled in the forthcoming Buses Bill for consideration at a future meeting where the Buses Bill will be discussed.

The meeting closed at 1.00 p.m.