



Northern Ireland
Assembly

**COMMITTEE FOR
REGIONAL DEVELOPMENT**

**OFFICIAL REPORT
(Hansard)**

Transport Bill

8 September 2010

NORTHERN IRELAND ASSEMBLY

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REGIONAL DEVELOPMENT**

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Members present for all or part of the proceedings:

Mr Fred Cobain (Chairperson)

Miss Michelle McIlveen (Deputy Chairperson)

Mr Cathal Boylan

Mr Danny Kinahan

Mr Billy Leonard

Mr Trevor Lunn

Mr Ian McCrea

Mr Conall McDevitt

Mr George Robinson

Witnesses:

Mr Des McKibbin) Assembly Research and Library Service

Ms Doreen Brown)

Mr Sean Johnston) Department for Regional Development

Mr Brian White)

The Chairperson (Mr Cobain):

We will now receive a briefing from the Assembly Research and Library Service.

Mr Des McKibbin (Assembly Research and Library):

Good morning. This presentation is based on the research papers that were submitted to the

Committee in support of its consideration of the Transport Bill. The Bill provides the statutory arrangements for bringing forward the reform of public transport in Northern Ireland. Northern Ireland is characterised by having a disproportionate reliance on the private motor car, which accounts for more than 80% of journeys compared to public transport's share of only 7%.

When launching the public consultation on the proposals for public transport reform, the Minister emphasised the need to increase public transport use in line with the Executive's transportation, environmental, social inclusion and equality objectives. He stated that the choice to use public transport must become the first choice rather than the last resort. In preparing the Bill paper —

The Chairperson:

Will you slow down a bit?

Mr McKibbin:

I apologise.

In preparing the Bill paper, it has been important to set it in the context of the public transport delivery process that has been ongoing since 2002. Therefore, I will outline the important proposals that are not dealt with directly in the Bill. Those are the reformed institutional arrangements for the delivery of public transport, the local transport plans, and the role of the community planning process in drafting those plans.

Moving to the institutional arrangements; a key proposal within public transport reform is to restructure the way in which public transport is delivered. Currently, the Northern Ireland Transport Holding Company (NITHCo), which is a publicly owned corporation, oversees all rail services and the majority of bus services in Northern Ireland. Those services are operated by three subsidiary companies — Metro, Ulsterbus and NI Railways — under the collective brand name of Translink.

Fundamental to the proposed restructuring of public transport is the establishment of a public transport agency. That executive agency will operate within the Department for Regional

Development (DRD) rather than being an arm's-length body. It will take control of the functions currently being undertaken by NITHCo and its subsidiaries and will incorporate the various regulatory powers of public transport, which are currently held by DRD and the Department of the Environment. It was concluded in the outline business case that the agency option provides greater independence and offers the prospect of a more efficient system.

The agency will take a lead role in bringing together all the necessary stakeholders that are responsible for compiling local transport plans, which are another important element of public transport reform. That process will have to consider the requirement to comply with community planning procedures, which are central to the review of public administration (RPA). Under the RPA proposals, there will be a duty on local councils and other public service providers to engage in the community planning process, which is defined as:

“the process through which public sector organisations work together and with local communities, the business and voluntary sectors, to identify and solve local problems, improve services and share resources”.

Guidelines for community planning in Northern Ireland have yet to be finally drafted. That process is ongoing. The model being recommended for Northern Ireland is based on the Scottish model. Community planning partnerships are central to the planning process in Scotland. They co-ordinate initiatives in their localities and act as the principal connection between national and local priorities and policies.

Community planning partnerships are involved in the process of developing local transport strategies, ensuring that they are consistent with community plans. Although there is not a great deal of literature on the success or failure of the Scottish model, observers suggest that processes and experiences are broadly similar to those encountered in local governance reform and partnership development elsewhere in the UK. Common problems include those that relate to people and relationships, participants' skills and capacity, and processes and decision-making. Furthermore, it has been suggested that to align local and national priorities is difficult, if not impossible, and often results in inefficiencies and disappointment.

An initial review of community planning, which was published by Audit Scotland in 2006,

supported those views. Key issues that came out of that report included that Executive Departments failed to work together, which led to lack of clarity about policy priorities, creating significant bureaucracy and undermining the potential of community planning at local level. Also, there were too many funding streams to support community planning, and monitoring, and reporting arrangements were overly complex and burdensome. Finally, too much effort and resources can be tied up in managing and servicing partnership structures, rather than in delivering real improvements.

The Bill proposes to modernise the way in which public transport is delivered in Northern Ireland, allowing for an improved and more accessible public transport system. It updates legislation that has remained largely unchanged in more than 40 years. In addition, it takes account of today's different operating environment. There is also a statutory requirement now to comply with EC Regulation 1370/2007, which introduces standard Europe-wide rules on procurement and funding of contracts for passenger transport services.

The Bill places a duty on the Department for Regional Development to provide an economical, efficient and safe public transport service. It has already been decided that public transport will continue to be regulated, with the Minister having ruled out privatisation now or in the future. Therefore, most public transport will continue to be provided by Translink. That is in compliance with EC Regulation 1370/2007. However, the Bill allows the Department to enter into service agreements with other providers, enabling, for example, the rapid-transit contract to be competitively tendered.

The Bill contains provision for the Department to issue permits to operate services that are supplementary to the contracts network. It is believed that that will allow for innovation and will encourage the growth of the public transport market in Northern Ireland. Furthermore, the Bill allows the Department to regulate fares on all public transport services. Although that limits the negative effects, it can also limit the positive effects that competition can have for consumers, such as reduced fares and increased services.

In light of the proposed powers to award service contracts to operators other than Translink, the Bill gives the powers to award grants for capital expenditure to other operators while giving

statutory powers to fund community transport.

The Bill contains 13 miscellaneous and supplementary provisions, which include powers to acquire and dispose of land and to make regulations with regard to people's conduct in bus stations in line with current rules that apply in train stations.

I am happy to take questions.

Mr McDevitt:

I want to ask a brief question about community planning. We are yet to have community planning here. However, it seems that much of the Bill's philosophy is premised on having a viable and successful community planning process. In your research, how central was good, solid community planning work to the success of models in Scotland, Wales or England?

Mr McKibbin:

I am sorry, I do not —

Mr McDevitt:

In your research paper, you point out that the community planning process is the bedrock. A good community planning process must be put in place, which would then allow one to take a bottom-up approach to the identification of, need for, and the design of, public transport services. Of course, due to the RPA crisis here, the community planning process is not where it should be. Indeed, it will not be where it should be for a long time. When you looked at Scotland, was community planning particularly important to the way in which they went about designing new public transport services?

Mr McKibbin:

Again, the difficulty with planning is engaging with the right people. Although it tries to be inclusive, only stakeholders really get involved. The wider community is not, perhaps, as involved and does not get the representation that it needs.

I think that the same thing has gone the whole way through partnership formation over the

past number of years.

Mr Boylan:

I got the impression during your presentation that there is not enough evidence to suggest whether the model is working or not.

Mr McKibbin:

There is no tangible outcome. There is no real research to show that it is making massive savings or efficiencies anywhere, but the process itself is positive as it sets out to involve people.

The Chairperson:

Thank you.

I now welcome representatives from the Department. Good morning.

Ms Doreen Brown (Department for Regional Development):

Good morning. Thank you for the opportunity to provide the Committee with a briefing on the Transport Bill. We have provided paper copies of slides that will underpin this morning's presentation.

The purpose of this briefing is to pick up on some of the points that we have covered in the briefing paper that has already been sent to the Committee. However, we want to take the opportunity to outline the aims of the public transport reform programme and the benefits that we see coming from it. We want to set out briefly the key provisions of the Transport Bill and to say something further about the proposals for the new organisational arrangements for the delivery of public transport. Finally, we will refer to next steps, or our perception of next steps. Obviously, the Committee will have to confirm that.

Regarding the aims of the public transport reform programme, it is worth saying that it has emerged out of a long period of consideration in which the Department for Regional Development (DRD) has worked closely with public transport stakeholders. That work was based on a recognition that public transport services were improving as a result of the substantial

injection of resources from the original devolved Administration onwards but that structural changes were needed if those improvements were to be sustained and built on.

To summarise; the aims of the public transport reform programme are to support the implementation of the regional transportation strategy through the integration of services and maintaining the regulation of services and to enable the provision of high-quality public transport services that comply with EU requirements. The programme is aimed at promoting the use of public transport and maximising efficiency and value for money of the public transport arrangements.

The ultimate aim of the reform programme is to improve the service to public transport users. We consider that the important benefits that the reform programme as a whole will bring are as follows: a fully-integrated public transport provision across rural and urban areas; regulated fares and integrated ticketing; good quality information about the services, and an improved focus on accountability, efficiency and value for money, so that we get the best services from the resources available.

The final point, which is of great interest to the travelling public, is about increasing access to bus stations and shared facilities for operators, to bring benefits to the passengers using the services of those operators. The proposals were issued for public consultation, and there was widespread support for the changes that will be brought forward in the legislation.

We are conscious that we spoke about the main provisions of the Bill the last time we briefed the Committee before the summer, but we think that the main areas merit being mentioned again. Some provisions require quite detailed clauses whereas others, even though they are extremely important, are covered by quite brief clauses in the Bill. Central to the Bill are the contracting powers that will be given to the Department to enable it to contract for services, either directly through Translink or through competition, for example, for the rapid-transit system. Currently, the Department does not have any contracting powers for public transport. That responsibility currently lies with NITHCo Translink.

The Bill will also introduce a permit system to replace the Roads Service licensing system

currently run by the DOE. That will ensure that public transport in Northern Ireland remains regulated. There was unanimity about that point in all of the consultations that we have carried out. The permits will allow innovative services to enter the market, at the operator's risk, while protecting existing services and permit holders.

The Bill will also introduce offences and penalties to enforce the contracts and the permit system. It will provide the power to designate premises as shared facilities, which will enable permitted operators to pick up and set down passengers in bus depots. It will also provide powers to regulate fares and fare structures and to regulate passenger conduct in bus premises. That might seem a strange provision, but currently there is only provision to regulate conduct in train premises but not in bus stations.

The Bill will also provide extended powers for the Consumer Council, to recognise its role as the representative of consumers and therefore of the users of public transport. Primarily, that will involve working collaboratively with the Consumer Council to agree a work programme for matters of shared interest. That arrangement is modelled on the functions that the Consumer Council currently carries out in relation to energy and water. The Bill will also provide powers to establish and regulate integrated ticketing systems and on-street ticketing machines.

The next visual aid refers to the proposed three-tier structure. As the Committee's researcher has pointed out, the legislation does not actually cover those aspects of structural change. There was consensus among stakeholders that there should be a three-tier structure. The top level will be the core Department, with responsibility for policy and strategy, securing funding and making legislation. The second tier will be the agency in the Department delivering the Department's policy through specifying public transport requirements, securing their provision and managing contractual and licensing arrangements. The third tier will be the operators who will deliver the services specified by the agency.

The main new element in that structure is the agency, which will be a part of DRD and will be responsible to the Minister and the Assembly for the delivery of the proposed transport functions. It will not be a stand-alone body requiring separate administrative support services. It will not be a quango or arm's-length body. It will rely on the new powers in the Transport Bill to perform

many of its functions. However, the establishment of the agency does not need to be specified in legislation: it can be brought about by administrative action under the powers of the Departments (Northern Ireland) Order 1999. Therefore, new powers are not required in the Transport Bill to allow the agency to be brought into being.

As I said, the agency will be a small agency within DRD and it will focus on operational planning and on securing the delivery of public transport services. However, it will, where possible, draw on the wider Department for its support services, such as finance, HR, IT and other corporate services. We envisage that specialist transport and contracting skills will need to be developed in the agency as those do not exist at the moment because contracting is not in place.

The benefits of the structure are in achieving the important separation of the responsibilities for design and setting requirements for public transport services from the operating organisations involved in the delivery of those services. Again, stakeholders attached a lot of importance to that clarity of role and function during the consultation phase. Therefore, there will be greater clarity of roles and responsibilities if the agency is part of the Department, rather than NITHCo, and representing the public interest in the provision of public transport services.

The agency will be directly accountable to the Minister and the Assembly. Its decisions on public transport will be taken in the context of wider transport policy developed in the Department. It will be able to contract for services and secure more joined-up services. It will also have the ability to direct NITHCo on certain commercial matters, and, importantly, it will be compliant with EC Regulation 1370/2007.

Clearly, we stand ready to provide the Committee with everything that it requires during the Committee Stage of the Bill, and we will work to whatever timetable is set. We have already provided the Committee with detailed notes on the clauses, and we are about to send it the Department's comments on the public evidence that the Committee received during the summer. I will also mention the review of the outline business case, because I know that the Committee has a strong interest in that area. The outline business case is well under way and is on course for completion in October. Finally, alongside the ongoing work on the legislation, we are continuing to develop the proposed new structures, particularly the agency in the Department. Those are the

only points that we intended to make to the Committee this morning.

The Chairperson:

Although we will go through the issue in more detail as time goes on because the Bill is quite complicated, I wish to make a couple of remarks; and perhaps, Doreen, you will comment briefly on them. I take your point that a lot of money has been spent on infrastructural changes in public transport. That is very good, and customers and the Committee support that. There is a need for structural changes, and we must be prepared to look at that. I have read some stuff — forgive me for being a bit cynical here — about encouraging greater use of public transport. Will you explain in a bit more detail how you are actually going to do that?

The other point is about the consultation. We talk about community consultation, but when I look at the consultees, I do not see a lot of community consultation. I see a lot of professional bodies who respond to the Department. That is not community consultation in the usual sense. I am sure that the Committee wishes to see, and will see, who has been consulted on this issue.

The other issue is that I have seen no indication of the Department addressing the problem of accessibility for people with disabilities. This is a bugbear of mine, and it is something that I will raise until I am blue in the face. You talked about making public transport accessible to everyone, and we have talked about audio-visual aids on buses. However, we are getting nowhere. In this, the twenty-first century, it is totally unacceptable that a person with a disability using public transport has to ask the person beside them where he or she is at any moment.

I hope that the Committee wishes to see that issue addressed. It is particularly important when it comes to the integrated ticketing system. I hope that it will be recognised, when creating that system, that people with disabilities must have access to it. If the stand-alone integrated system does not have audio-visual aids, it will be of no use. That ties in to the audio-visual aids on buses, of which I have seen nothing either. The other issue is costs and benefits, which we will not get to until October. Those are just some issues on which I would like to know the Department's position.

Ms D Brown:

There is no magic wand that one can wave to make public transport usage go up significantly. However, a combination of things can be done to make using public transport more attractive; an important example of which is the integration of services, whereby information about all services — be they Metro, Ulsterbus, railway, door to door, rural transport or rapid transit — and the links between them are clear and helpful to people using the services. Fare regulation is another way in which we hope to make public transport more attractive. I cannot promise that, as a result of all this work, fares will drop. However, there are a combination of things that we can do.

Similarly, as I mentioned, there will be improved access to bus stations. Someone who is getting a bus, no matter the operator, will know that he or she can go to the bus station to get that bus, rather than go to the bus station for Translink services but go down the road for others.

The Chairperson:

I understand that. However, people with disabilities must be remembered in those options. We keep talking as though people with disabilities do not use public transport. They do. The Committee quite rightly receives correspondence from people who feel that public transport is not for them because it does not fulfil their needs. We will discuss this as we go through the Bill. The Committee has raised these issues before and has gotten nowhere. However, we will keep raising them.

Ms D Brown:

There are provisions in disability legislation relating to the rights of disabled people to access public transport: they are not on the face of this Bill.

I recognise your interest in audio-visual facilities. I made a statement to the Committee on integrated ticketing, which I stand over and will make again: there is no way in the world that the Department will implement an integrated ticketing system that is not capable of being easily used by disabled people, who quite often rely on public transport for getting around. That would miss the point entirely.

The Chairperson:

It also misses the point entirely if someone with a disability is sitting on a bus and there are no audio or visual aids for them. How can it be called public transport if it is not public transport? However, I take on board what you said, Doreen, and I am pleased about what you have said on the record.

Ms D Brown:

You also mentioned the consultation. Are you referring to the extent of the consultation that we have carried out to date?

The Chairperson:

No. When people think of community consultation, they think about individuals. However, the majority of consultees are groups. Therefore, in a sense, it is not community consultation. It does not drill down far enough, because the people that you are talking about and the people that I am talking about are two different sets of people.

Those who use public transport are ordinary members of the community and are completely different from the people who respond to the consultation process. How far did the Department go to ensure consultation with the community?

Ms D Brown:

I make the distinction between our discussions with stakeholders and our consultation. We presented our proposals to the public and held a series of public meetings in various parts of the Province at various times of the day to try to suit the maximum number of people. Those public meetings were open to everyone. We were not knocked down by the rush of people coming through the door — attendance varied from place to place — but we were open to everyone. Community consultation will be important as we go forward, and when we are devising local public transport plans we should not just consult the usual suspects.

The Chairperson:

That is my only point.

Mr McDevitt:

I know that we will go through the Bill clause by clause. I want to ask about Part 1 of the Bill, which outlines the basic duties that it will place on the Department. Clause 1 says:

“The Department must secure the provision of public passenger transport services with due regard to economy, efficiency and safety of operation.”

That is great and very welcome. However, you say — and I agree with you — that it is all rooted in the regional transportation strategy (RTS), which will be reviewed fundamentally next year because a new regional development strategy is being considered. The major change between the old regional transportation strategy and the new one will be that the concept of sustainability will be much more central to the new one. However, the Bill places no duty on the Department to consider environmental sustainability as a key criterion on which to drive and provide public services. The RTS will say that the goal is to increase sustainability. The reason that we must make massive investments in public transport is because, at this stage, we are practically the carbon footprint embarrassment of the European Union, and the problem is getting worse.

The old RTS failed miserably because there was no political backing for it, and people never put the necessary money into it to enable it to succeed. That is why bus journey times in Belfast are 15% longer today than they were 10 years ago and why car ownership in this region is breaking all records. How can you bring forward legislation that you say will be fit for purpose for the next decade and not place a statutory duty on the Department of the Environment to consider environmental sustainability alongside the economy, efficiency and safety of operation?

Ms D Brown:

The point about sustainability was raised by one respondent to the Committee’s call for evidence over the summer, and we are looking at the issue. Our assumption was that because the RTS would be founded on the bedrock of sustainability principles, the agency would work to those same sustainability principles and credentials when it implements the RTS. The Department has a duty under the sustainable development strategy to place sustainable development at the heart of everything it does. However, there could be a case for the Bill to contain something to reflect the

importance of sustainability.

Mr McDevitt:

I am referring to the need for a statutory duty. The RTS will say what it says; however, it is a strategy and not a piece of law, as is the case with the sustainable development strategy. A statutory duty to consider sustainability alongside other key issues could be very useful to everyone who supports greater investment in public transport.

Ms D Brown:

That will come up during the clause-by-clause analysis. However, as I said, that has been drawn to our attention by the response to the Committee's call for evidence, and we are looking at it.

Mr McDevitt:

I have one final question, and it is related to the Chairperson's earlier question and the matters that came up during the research. A lot of the new model, which many people support, presumes that we have a functioning community planning infrastructure as a result of RPA.

Ms D Brown:

Yes and no. It would like to assume that, and it would like to operate in an environment where community planning is established and functioning.

However, even if that is not the case, we still envisage that the agency will be capable of developing local public transport plans. At the moment, there are three plans in the RTS. One of those is the subregional transportation plan (SRTP), in which there are detailed plans for 26 parts of the region. That covers transport in its widest sense, including public transport. That plan was drawn up without the development and establishment of community planning. Therefore, if need be, we would continue that sort of process and ensure that local public transport plans were drawn up on the basis of the best local community consultation that we could bring about, which would feed into the wider transport plans.

Mr McDevitt:

By your own admission, that will be a small agency inside the Department.

Ms D Brown:

Yes.

Mr McDevitt:

It will not be top-heavy. By your own admission, it is the usual suspects, under the existing structures, who tend to turn up. The point of community planning, as envisaged by the RPA, is that it changes the conversation that local government has with its wider communities. I do not dispute that you will not try, but we should acknowledge that, for the legislation to work as it is envisaged, it requires community planning to operate as it was envisaged also.

Ms D Brown:

In the absence of a well-developed community planning system, there will be something that is no worse than what we have already. I like to think that it would be better because there would be a greater focus on the public transport aspects of what local areas need. It would not be the full shilling without fully developed community planning, but it would be at least as good as, and probably better than, what we have managed to do already in the SRTP.

Mr McDevitt:

Finally, you have been able to find very little evidence that the new structures, as much sense as they may make in public policy terms, have led to greater efficiency. That issue will be at the front of all of our minds in the next few months. What is your thinking in that regard?

Ms D Brown:

That is why the outline business case is being reviewed at the moment. The original outline business case showed the scope for efficiencies to be made. Some of those have already been realised, partly because the process has started. The review of the outline business case will confirm the scope of further efficiencies to be had.

The Chairperson:

That will be completed in October.

Mr Boylan:

Thank you very much for your presentation. I have a couple of questions. Could you expand a wee bit on the contracting part and on where the responsibility lies for the whole structure? I also want to talk about the non-contracted services. I know that we are talking about Ulsterbus, but, forgive me, I have to go back to the rural community again. I want you to explain specifically what provisions are in the Bill in respect of a single operator. If Ulsterbus did not have a viable route, it could work with the community in question to try and provide a transport system. How will the Bill impact upon single operators?

The consultation on bus operators' licences is being conducted by the Department of the Environment (DOE), but you will obviously have to take on board how that is run. Will you comment on that as well?

Ms D Brown:

The agency in the Department will contract for services. Its function will be to plan the network and then secure the provision of services on that network from the operators at the tier below. As regards viable routes, the agency will define where routes should go. Some of those will be commercial routes and others will be non-commercial, but the function of the agency will be to ensure that the coverage of the Province is adequate. In some instances, Ulsterbus might not be able to provide a viable service on a route because, for example, its buses are too big. In that sort of situation, the agency would be free to seek service on that route from some other operator.

Mr Boylan:

Surely the Bill provides an opportunity to address that issue now. We need to do it now; that is why I am bringing it to a head now. I know that there will be clause-by-clause scrutiny of the Bill, but I wanted your response.

What action has the Department taken about the consultation as regards bus operators? Obviously, we will have to await the outcome of that. However, will you talk about the impact that it will have?

Mr Brian White (Department for Regional Development):

I am not clear what consultation you are talking about. There is a consultation process that relates to the development of the contracted services. There is also the system, which is allowed for in the Bill, for permitted operators to make suggestions if they want to operate on a specific route. That system will include a mechanism for testing whether it is appropriate for them to be granted a licence. Is that what you were referring to?

Mr Boylan:

The DOE is conducting a consultation on the future of bus operator licensing. It is considering how that will impact on the community and voluntary sector. Certainly, you have to take that into consideration.

Mr White:

I am sorry; I misunderstood you. That is obviously a separate consultation. I do not think that it will have a major impact on what we are doing. I do not think that the consultation period ends until the end of the month. We, like others, are inputting to that. There is nothing that I want to draw attention to at this stage. I am aware that the Committee will receive a presentation later this morning about certain issues, but it is my understanding that some of the concerns are in the process of being resolved as part of the consultation exercise. The difficulty, of course, is that it is a DOE matter; it is not one for us. However, we are engaging with DOE to feed into that and we have an interest in what is going on in that consultation.

Mr Sean Johnston (Department for Regional Development):

We must be clear that the Bill, as drafted, allows for services to be procured or obtained in a number of ways. That includes, for example, the direct award to Translink, which will include profitable routes and large numbers of unprofitable routes, which it cross-subsidises. It also allows for the continuation of grant aid for community transport, where that is the best solution; competitive tendering for contracts; and permits for operators, which would be largely for profitable services. Therefore, the Bill contains a number of options to address the unprofitable routes. Part of that relates to the services that Translink delivers, and that is one reason why Translink faces a bit of a challenge in meeting efficiencies — it already delivers large numbers of unprofitable routes. The community transport organisations step in for the routes that are not

covered by Translink.

The Chairperson:

On a point of clarification, Doreen, you said that the new agency, when it is set up, will have a model for what it thinks are the best and most efficient routes that meet the needs of the community.

Ms D Brown:

Yes.

The Chairperson:

Will we actually see all that before it —

Ms D Brown:

Yes. There will be a defined public transport network.

The Chairperson:

But, will we see that model before it is agreed?

Mr Johnston:

It will be subject to a wide consultation. We will need to have a consultation before it comes to the Committee, because we will need to have worked it out with —

The Chairperson:

My point is that, once these things are set in stone, it is difficult to break into them. We would like to see the model and how the agency came to decide on it and so on.

Ms D Brown:

The network is not necessarily set in stone at any stage. The nature of these things is that they change.

The Chairperson:

I am just making the point before we move on.

Mr Leonard:

Thanks very much for the update and the information. I want to carry on from that point and maybe concentrate, not exclusively but mostly, on the permit scheme and associated aspects. We heard about the piecemeal nature of different funding streams for different types of transport. As Sean pointed out, there is good thinking behind the different ways of getting some transport on the road. However, is there a possibility that the downside of that may be some more piecemeal operations? How can the legislation help us to avoid that? Obviously, there will be avoidance in the roll-out of the legislation. We are talking about an agreed vision of a network, but there will be geographical casualties. My worry is about who would proactively seek the transport contracts to take stroke victims to their days out at the centres. In that case, it may not be geographical matter, but a sector of our society will be disadvantaged. I am wondering how the permit scheme with the associated permutations can deliver. Will it be up to the Department or will the agency really proactively bridge the gaps to ensure comprehensive coverage?

Ms D Brown:

The permit scheme almost sits separately from the public transport network. The permit scheme is there to allow operators who see an opportunity or gap in the market to provide a service at their own financial risk. A good example of what would be included under the permit scheme is the service that is provided at the moment by Airporter. Some years ago, Airporter saw an opportunity to run a bus from the two main airports, and it has operated that successfully. That company received no funding from government. It took all of the financial risk, and, obviously, it takes the financial reward that goes with it. That is the sort of thing that the permit scheme will be designed to facilitate. It will not be allowed to cherry-pick profitable routes from what will be the public transport network. Again, it will sit separately.

Within the public transport network, the aim is to ensure that there is proper coverage geographically and for the different needs of people, with a particular focus on disabled people and elderly people. That will all be factored in as part of the definition of the range of public transport services that will be provided.

Mr White:

Obviously, we are currently operating successful transport services in urban and rural areas throughout the Province. That will continue; the mechanisms will continue to exist with the introduction of the Bill. In relation to groups of disabled people, stroke victims, or whatever, there are currently mechanisms, supported by the Department, that get them from their homes to a destination. Nothing that we are doing will change that. Indeed, it will ensure that those services will be part of a wider network of provision. In a way, the legislation will make it clearer that we have the power to do those things.

Mr Johnston:

We have to get the right level of co-operation with other statutory providers. It could improve the service, but it depends on other Departments that fund some elements of it. There was a strong argument for having more joined-up delivery, but it is not totally within our Department's control to make all of that happen.

Mr Leonard:

The second part of my question relates to the revocation of permits. Perhaps it relates to the roll-out and management of the legislation. The wording is reasonably clear and refers to any condition. Will we face a situation in which permits will not be revoked because there is no alternative provider to stand in? Perhaps that is more related to the roll-out of the legislation, but can the legislation be made tougher to ensure that permitted operators live up to their responsibilities?

Mr White:

The legislation is being made tough enough to ensure that the things that operators have to do can be properly enforced. One of the issues about revocation is whether, when a licence is revoked, it needs to be replaced by another service. To repeat the point, the permitted sector is designed to be an adjunct to what is there. If, for an example, an operator proposes to operate a service from A to B and claims that there are enough people there for that to make money, and if the operator is wrong and cannot sustain such a service, I do not think there will be an expectation that, because an operator thought there was a profit to be made on a route, the public sector will need

to step in and ensure that that route is sustained.

Similar issues would arise in circumstances where an operator was doing something at his own risk and was not able to maintain the quality standards required. Revocation, in that instance, would be appropriate, but it would not necessarily be right to expect the public sector to step in and fill a gap that had not been there previously.

The Chairperson:

Thank you very much.