

**NORTH SOMERSET COUNCIL
DECISION**

DECISION OF THE EXECUTIVE MEMBER FOR FINANCE
WITH ADVICE FROM THE SECTION 151 OFFICER OF THE COUNCIL,
CORPORATE SERVICES DIRECTORATE

**DECISION NO: CSD95**

SUBJECT: Use of Corporate Risk Reserve for Supported Bus Services Invest to Save Proposal

BACKGROUND:

As part of the 2017/18 Medium Term Financial Plan and budget setting process, it was identified that an annual saving of £130,000 could be made in the contribution that the Council makes to supporting non-commercial bus services.

In order to achieve these annual savings, a one-off investment is required. The key elements of the investment proposal are the commercial provision (i.e. no financial contract support from the Council at all) of the entire inter-urban bus network in North Somerset, all nine key routes, combined with a full re-brand and promotional package of the network. The services would include a key enhancement to one of the routes, creating a new link from Clevedon through Yatton, Congresbury and into Weston – the new service X7.

First would commit to providing the network as detailed for two years, beyond which they would need to consult the Council on any changes but they would ultimately make decisions on a commercial basis. That said, the services as detailed are what are considered to be commercially viable in the medium term.

An investment of £240,000 would allow the Council to achieve the £130,000 MTFP saving from the bus services budget, giving a return before the end of two years and with an improved bus network.

DECISION:

To approve an increase in the Council's revenue budget of £240,000 and the use of the corporate risk reserve to fund this expenditure. The increased expenditure will support the extension and rebranding of North Somerset inter-urban bus network, which will contribute to achieve an annual saving of £130,000.

Reasons:

To achieve annual revenue savings whilst improving extending, rebranding and relaunching the inter-urban bus network.

Other Alternatives Considered:

None, other than not going ahead with the investment – the corporate risk reserve was the only source of funding considered.

Financial Implications:

As described above, the one-off use of the corporate risk reserve, which would increase the service's gross revenue spend in 2017/18 by that amount, supports the achievement of £130,000 of annual revenue savings, which have been approved as part of the MTFP and budget setting process.

Signed:

Councillor Nigel Ashton
(Leader of the Council / Executive Member for Finance)

Dated:

Signed:
Section 151 Officer, North Somerset Council

Dated: