

HAMPSHIRE COUNTY COUNCIL**Decision Report**

Decision Maker:	Executive Member for Economy, Transport and Environment
Date:	5 November 2013
Title:	Procurement of 63/63A Owslebury Bus Service Contract
Reference:	5254
Report From:	Director of Economy, Transport and Environment

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1. Executive Summary

- 1.1. The purpose of this paper is to seek approval to procure and spend for a contract to provide a school transport service between Owslebury and Winchester and a return public bus journey, previously daily, Monday to Friday, but currently three days a week between the same points.
- 1.2. The previous contractor gave two months' notice of termination and an emergency contract was put in place so that the service was maintained without interruption.
- 1.3. The interim service was reduced to stay within the previous budget but this paper looks at options to retain this or to increase the level of service provided

2. Contextual information

- 2.1. The previous contractor Xelabus gave the minimum required two months' notice at the end of July that they were surrendering the above contract to use the vehicle elsewhere. To ensure that transport continued without interruption for residents and for pupils attending Westgate School who are entitled to transport, an emergency tender was arranged to take effect from 23 September 2013.
- 2.2. Tenders were issued separately for the school journey (63A) as either a closed contract (for pupils only) or as part of a public bus with the 63 as before.
- 2.3. The shoppers' journey (63), which provides one return journey a day, was tendered as either a five day a week service, as before, or as a three day a week service, Monday, Wednesday and Friday to ensure that a service could be retained if tender prices rose significantly.

- a) Recorded use of the 63 (the return journey for shoppers) was an average of 10 passengers per trip with passengers boarding at Owslebury, Compton Street and Woodfield Drive. The figures noted so far on the three day a week interim service show an increase of 10-15% per day reflecting passengers switching from days without a service.
- b) When tender prices were received, it was found that to have retained the previous timetable for the 63 would almost double the subsidy cost per passenger trip from £2.55 to £4.97. The interim option of a three day a week service will cost £2.63 per passenger trip if all existing passengers are retained. The value for money benchmark following the Bus Subsidy Review in 2011 is £1.67 per passenger trip, but the numbers travelling preclude the use of a Taxi-share in this situation.
- c) The parish councils and local Member, Councillor Humby, have raised concerns about the loss of the daily service due to the lack of local amenities which requires residents to travel to reach these, and the fact that the school journey is no longer available to ordinary passengers. This latter use did not initially show up in our surveys, but further analysis suggests that up to three non-school passengers used the morning journey and two the afternoon journey but that this varied from day to day.
- d) The three day a week shoppers' service retains the same journey times and route as before as these had been set following discussions with users. The route travels via Twyford and Badger Farm which are the principal doctor's surgeries used by residents. The reduced days of operation retain an essential transport link which was an under-pinning aim of the Bus Subsidy Review in 2011. A number of communities in Hampshire have services which run less frequently than every day and around 30 subsidy contracts for bus, community bus, Cango or Taxi-share operate three days a week or less.
- e) The school transport service (63A) used to operate additionally in school holidays but this was discontinued in 2011 when use was found to average less than one passenger per trip. The journey does not serve Twyford or Badger Farm but runs directly to Winchester for Westgate School pupils who are eligible for transport.
- f) Use of the school journey by non-school passengers did not show up in our surveys initially, but we have since been made aware of use, principally for the morning journey, by Peter Symonds' students, and by one other passenger who is a college lecturer and used the service in term time. This ties up with our further analysis which suggests up to three non-school passengers in the morning and two in the afternoon with not all passengers travelling every day.

- g) As an interim measure, we have arranged for Peter Symonds' students to use the school journey, without payment, pending the outcome of the review and the decision on the future of the service. This arrangement could continue but to replace the closed school journey with a public bus service would require a new tender exercise as it would involve a change of supplier.

2.4 This report seeks approval to retain the present interim arrangements until the next comprehensive renewal of bus contracts in the area. It is also proposed that long term arrangements are put in place for students attending Peter Symonds College to use the school journey.

3. Finance

- 3.1. The previous services 63/63A cost £39,500 of which £13,035 related to the bus subsidy budget for the shoppers' service and £26,465 related to the home to school transport budget for the school journey. The new contract cost to retain the service unchanged would have been £60,500 of which £27,250 related to the shoppers' service and £33,250 related to the school journey. This would represent an overall increase of 53%.
- 3.2. The interim arrangement for the school journey sees this being operated as a closed contract (a coach for school pupils only) with Stardust Travel at a cost of £24,700. To operate this again as a public bus service would require a new tender exercise as a change of supplier would be needed. The indicative extra cost is £8,850 or £22.50 per journey.
- 3.3. The interim arrangement for the shoppers' journey is a return journey on Monday, Wednesday and Friday with Stagecoach at a cost of £13,424. To operate this again as a five day a week service, staying with Stagecoach, would cost £25,380, an extra cost of £11,956 or £57.48 per journey.
- 3.4. The recommended options can be met from the budget provided.

4. Performance

- 4.1. Survey data for the 63 showed that 4.9% of journeys were for employment. 63.4% for shopping, 2% for education, 10.9% for health appointments and 18.8% for social or other purposes. 76.24% of journeys were made using concessionary travel passes.
- 4.2. The interim service maintains an essential transport link within existing budget levels for Owslebury, Compton Street and Woodfield Drive for which the 63 is the only service. Owslebury residents are the largest single users of the service, but overall numbers are low for a public bus service. Compton Street and Woodfield Drive are within 800m of frequent services. A standalone school service is provided for eligible pupils from Owslebury. Peter Symonds' students are being allowed to use this without payment pending confirmation of permanent arrangements.

5. Recommendations

- 5.1 That approval to procure and spend be given in respect of the contract for a public bus service (63) Owslebury - Winchester of up to 4 years 8 month's duration with an estimated value of £67,000.
- 5.2 That approval to procure and spend be given in respect of the contract for a school transport service (63A) Owslebury - Winchester of up to 4 years 8 months duration with an estimated value of £123,500.
- 5.3 That a ratio of 80% for price and 20% for quality be applied in tender evaluation of the items approved.
- 5.4 That the Director of Economy, Transport and Environment be authorised to agree any variations to the items approved referred to at paragraphs 5.1 and 5.2 above, in consultation with the Executive Member for Economy, Transport and Environment.

CORPORATE OR LEGAL INFORMATION:**Links to the Corporate Strategy**

Hampshire safer and more secure for all:	no
Corporate Improvement plan link number (if appropriate):	
Maximising well-being:	yes
Corporate Improvement plan link number (if appropriate):	
Enhancing our quality of place:	no
Corporate Improvement plan link number (if appropriate):	

Section 100 D - Local Government Act 1972 - background documents

The following documents discuss facts or matters on which this report, or an important part of it, is based and have been relied upon to a material extent in the preparation of this report. (NB: the list excludes published works and any documents which disclose exempt or confidential information as defined in the Act.)

<u>Document</u>	<u>Location</u>
None	

IMPACT ASSESSMENTS:

1. Equalities Impact Assessment:

- 1.1 The proposals in this report have been developed with due regard to the requirements of the Equality Act 2010, including the Public Sector Equality Duty and the Council's equality objectives. An assessment of the impacts in this service area can be found at <http://www3.hants.gov.uk/equality/equality-impact-assessments/cx-pu-eqimpact-envi.htm> under 'Safe and Efficient Transport Systems in Hampshire'.

It is considered that the issues covered by this report will not have impacts requiring further specific actions by the Council above those already established in its existing policies and working procedures.

2. Impact on Crime and Disorder:

- 2.1. It is considered that this decision will have no impact on crime and disorder.

3. Climate Change:

- 3.1. How does what is being proposed impact on our carbon footprint / energy consumption?

Delivering an effective public transport system within available funding levels provides an alternative to the car.

- 3.2. How does what is being proposed consider the need to adapt to climate change, and be resilient to its longer term impacts?

An effective public transport alternative matches provision to need and minimise carbon emissions.