

# HAMPSHIRE COUNTY COUNCIL

## Decision Report

<b>Decision Maker:</b>	Executive Member for Economy, Transport and Environment
<b>Date:</b>	4 March 2014
<b>Title:</b>	New Forest Cango Bus Contract
<b>Reference:</b>	5544
<b>Report From:</b>	Director of Economy, Transport and Environment

**Contact name:** June Armstrong

**Tel:** 01962 845844

**Email:** june.armstrong@hants.gov.uk

### 1. Executive Summary

- 1.1. This report proposes that the New Forest Cango bus contract is extended to ensure continued access to work, education, retail, leisure and health services for the widest section of the community thereby supporting quality of life as well as achieving value for money. This proposal reflects the current financial situation and the budget that is allocated.
- 1.2. This paper seeks to obtain authority to extend the New Forest Cango bus contract for four further years.

### 2. Contextual information

- 2.1. The Cango flexible bus service in the New Forest was included in the Bus Subsidy Review in 2011 and was found to be the best way of serving the needs of the users due to the spread of points served.
- 2.2. The New Forest Cango services were approved for a two year period commencing 4 May 2012 with an option to extend up to a further four years.
- 2.3. This Cango contract has been performing well with a steady patronage averaging 1300 trips per month and average subsidies of £3.00.

### 3. Finance

- 3.1. This contract is gross cost, that is to say the tender price shown is before full fares paid and concessionary fares income which is then offset against this. The contract was tendered on a day rate basis for the operator using its own vehicle and also at a lower day rate for using the supplied Hampshire County Council vehicle. The maximum cost per annum for the contract is £92,826 if the operator's own vehicle is used but most journeys are currently

provided using the County Council-supplied vehicle and are thus at a lower cost. Income from concessionary fares reimbursement and full ticket income further reduces the cost by approximately £30,000 per annum.

- 3.2. This contract is totally funded by Hampshire County Council and operates at an average subsidy of £3.00 per passenger trip.
- 3.3. Because Hampshire County Council's vehicle is currently used most days the cost of the contract has been less than the maximum budget figure for the past two years but this may not be the case in the future.
- 3.4. This Cango contract is currently running so funding is already in the budget.

#### **4. Performance**

- 4.1. Passenger figures on this service are sustainable with an average of 1,300 passenger trips per month.

#### **5. Recommendation**

- 5.1. That New Forest Cango bus contract be extended for a further four years from 4 May 2014 through to 5 May 2018 at an anticipated gross cost of £372,000 over the four years to be met from the public transport budget.

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

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

**Other Significant Links**

<b>Links to previous Member decisions:</b>		
<u>Title</u> New Forest Cango Contract Award	<u>Reference</u> 3605	<u>Date</u> 17 January 2012
<b>Direct links to specific legislation or Government Directives</b>		
<u>Title</u>	<u>Date</u>	

**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 proposal in this report maintains accessibility for the widest section of the community. . The website contains a summary [assessment of the impacts](#) on ETE Objective 1.3 - Safe and efficient transport systems in Hampshire.
- 1.2 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. Not applicable.

### **3. Climate Change:**

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

Maintaining journey opportunities by bus will result in fewer journeys being made by private 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?

This decision will have a significant positive effect on sustainable transport provision.