

**HAMPSHIRE COUNTY COUNCIL****Decision Report**

<b>Decision Maker:</b>	Executive Member for Environment and Transport
<b>Date:</b>	22 July 2016
<b>Title:</b>	Retendering of Bus Services in Winchester Area and of the Ringwood 125 Service
<b>Reference:</b>	7582
<b>Report From:</b>	Director of Economy, Transport and Environment

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## **1. Executive Summary**

- 1.1. The purpose of this paper is to detail the outcomes of tenders for the renewal of four year bus subsidy contracts in the Winchester area and the award of a contract to run between Ringwood, Bransgore and Christchurch as a replacement for a withdrawn commercial service. The Winchester area includes urban routes in the city and inter-urban and rural routes to North Baddesley, Valley Park, Micheldever, Owslebury, Itchen Valley, Alresford and Petersfield.
- 1.2. This paper proposes a plan of action to ensure that transport services continue to support access to work, education, retail, and health for the widest section of the community, thereby supporting quality of life and well-being while achieving value for money.
- 1.3. The proposed tenders retain a similar pattern of service to that currently provided within the current budget, and take account of any known changes to the commercial network.
- 1.4. Awarding tenders for new contracts as proposed ensures vital transport links at a cost of £241,812 per annum from the bus subsidy budget, £53,591 from Childrens Services' Home to School Transport budget, £1,802 from Dorset County Council and £12,392 from Winchester Town Forum in respect of services tendered on their behalf.

## **2. Contextual information**

- 2.1. The Passenger Transport Review, approved at the Executive Member for Economy, Transport and Environment Decision Day of 27 October 2014 and implemented in January 2015, retained subsidised bus services across

Hampshire on an equitable basis, albeit to reduced timetables in line with the lower funding levels available.

- 2.2. The present contracts for subsidised bus services 6A, 46, 63 and 95/96 in the Winchester area were re-negotiated as part of the 2014 Passenger Transport Review but expire on 03 September 2016, so are due for retendering.
- 2.3. The present contract for Service 67 also expires on the same date, but it is proposed to take up an option to extend this for one year to help maintain stability at this stage for users. These include a large number of entitled school pupils travelling for education purposes whose numbers are currently subject to some fluctuation. Numbers will be reassessed during the Autumn term of 2016 in order to develop a plan of action ahead of the expiry of the contract in August 2017.
- 2.4. Late night journeys on Services 3/5A are tendered on behalf of Winchester Town Forum, which provides the funding.
- 2.5. Under the 2014 Passenger Transport Review, subsidy was withdrawn for the service between Ringwood, Bransgore and Christchurch, then numbered 175, as a commercial service 125 was being provided by another operator. That operator subsequently ceased trading in May 2015 and a replacement subsidised service was put in place, initially under a series of single tenders. It is now necessary to seek tenders to run until the same expiry date as other bus service contracts in the New Forest area.
- 2.6. Information from the Passenger Transport Review consultation was used to prioritise the main issues to be addressed in these tenders, together with survey data and census and accessibility information.

### **Winchester area services**

#### **3. Overview of re-tendering**

- 3.1. The present contracts for services 6A, 46, 63 and 95/96 commenced on 10 June 2012.
- 3.2. Stagecoach is the principal operator of commercial services in the Winchester urban area and on a number of inter-urban routes serving the city, as well as an extensive bus network serving Peter Symonds College.
- 3.3. In October 2015 Stagecoach rebranded its local commercial network in Winchester under the "King's City" banner, bringing improved service levels and the reintroduction of evening journeys to some routes.
- 3.4. Go South Coast commercially provides inter-urban Bluestar 1 between Winchester, Chandlers Ford and Southampton while First, Mervyns Coaches

and Wheelers also operate bus services commercially or under contract in the area.

- 3.5. In the past two years both Stagecoach and Bluestar have invested heavily in new buses for routes serving the Winchester area.
- 3.6. Late night journeys on Service 3 to Harestock and Service 5A to Badger Farm and Stanmore are funded by Winchester Town Forum, and the present 2 year contract expires on 3 September 2016. These journeys have been retendered by Hampshire County Council on behalf of the Town Forum from the same date to achieve best value in tendering. At a meeting on 27 June 2016 the Town Forum approved the funding for the new contract for two years.
- 3.7. Five operators submitted tenders and all tenders were the subject of at least one bid.

#### **4. Overview of procurement**

- 4.1. The contracts have been procured using the Public Bus Dynamic Purchasing System and assessed 100% on price.
- 4.2. The start date of the Hampshire County Council funded Winchester area contracts is 4 September 2016 for an initial 4 years term with options to extend for 2 further years in annual increments.
- 4.3. The anticipated County Council spend of the 4 year term £509,085 of which £455,494 would be met from the bus subsidy budget and £53,591 from the home to school transport budget. The equivalent value over the maximum term is £668,005 of which £614,414 is met from the bus subsidy budget and £53,591 from the home to school transport budget.
- 4.4. These amounts include the one year extension to the existing contract for Service 67 which is not being re-tendered at this time.
- 4.5. The start date of the Winchester Town Forum funded contract is 4 September 2016 for an initial 2 year term with the option to extend for 1 further year.
- 4.6. Full financial figures can be reviewed in the attached appendix.

#### **5. Finance**

- 5.1. The full financial figures can be reviewed in the attached appendix, but a summary is provided below.
- 5.2. The current cost of Winchester area services 3/5A, 6A, 46, 63, 67 and 95/96 is £284,417 which is made up of £217,418 from the bus subsidy budget, £53,591 from Children's Services Home to School Transport Budget and £13,408 from Winchester Town Forum.

5.3. The proposed cost of the new tenders for services 3/5A, 6A, 46, 63 and 95/96 and the contract extension for Service 67 is £283,097 of which £217,114 is to be met from the bus subsidy budget, £53,591 from the Home to School Transport Budget and £12,392 by Winchester Town Forum.

5.4. The recommended tender options are as follows:

Service 6A between Hyde and Winchester City Centre and Service 63 between Owslebury, Oliver's Battery and Winchester awarded to the existing routes and timetables at £18,881.

Service 46 between North Baddesley, Valley Park and Winchester awarded to the existing route and timetable at £44,979.

Service 95/96 between East Stratton, Micheldever and Winchester awarded to the existing route and timetable at £15,600.

Services 3/5A between Winchester City Centre and Harestock/Badger Farm and Stanmore awarded to the existing routes and timetables at £12,392, which is met by Winchester Town Forum.

The existing contract for Service 67 between Winchester, Alresford and Petersfield extended for one year at £191,245, of which £137,654 is from the bus subsidy budget and £53,591 is met by Children's Services Home to School Transport budget for travel to Petersfield and Perins Schools.

Tables of existing and proposed expenditure are shown in the attached appendix.

### **Ringwood area – Service 125**

#### **6. Overview of re-tendering**

- 6.1. Service 125 between Ringwood, Bransgore and Christchurch has been operated under three separate single tenders since 18 May 2015 following the previous commercial operator's ceasing trading. A substantive tender has now been obtained through the DPS.
- 6.2. Two operators submitted tenders and the competitive prices received reflect the current commercial competition in the Christchurch and Bournemouth areas.
- 6.3. Dorset County Council currently contributes 6.8% of the contract cost, amounting to £3,173 and based on mileage.

## **7. Overview of procurement**

- 7.1. The contract has been procured using the Public Bus Dynamic Purchasing System and assessed 100% on price.
- 7.2. The start date is 4 September 2016 for an initial term of 2 years 4 months, with options to extend for 2 further years in annual increments.
- 7.3. The anticipated County Council spend of the 2 years 4 months term is in the region of £57,793, met from the bus subsidy budget. The equivalent value over the maximum term is £107,189.

## **8. Finance**

- 8.1. The current cost of Service 125 between Ringwood, Bransgore and Christchurch is £46,665 of which £43,492 is from the County Council's Passenger Transport Budget and £3,173 is met by Dorset County Council.

The proposed cost of the new tender is £26,500 of which £24,698 is to be met from the bus subsidy budget with a contribution expected from Dorset County Council on a similar basis to previous years.

- 8.2. The recommended option is to award a tender to the existing route and timetable, and to the existing three day a week operation on Mondays, Wednesdays and Fridays.

Tables of existing and proposed expenditure are shown in the attached appendix.

## **9. Performance**

- 9.1. The proposed tenders provide services to the areas specified within affordable budget levels and offer the same level of service as is currently provided.
- 9.2. Prior to tenders being invited, services were surveyed to ensure that value for money criteria are being met. The options proposed meet value for money criteria and provides a service to the widest area within an affordable budget.

## **10. Other key issues**

- 10.1. Renewal of these tenders will enable continued provision of prioritised services which were identified in the 2014 Passenger Transport Review consultation.
- 10.2. Identifying tender costs from various operators and providing services only at core times has enabled key journey opportunities to be retained within the budget available.

## **11. Consultation**

- 11.1. This retendering was informed by the consultation carried out for the 2014 Passenger Transport Review. County Councillors, District Council liaison officers, and Parish Clerks in the areas affected were informed of the proposal to bring this report by e-mail on 24 June 2016.
- 11.2. A consultation was held with Parish and Town Councils ahead of issuing tenders for Service 125 in anticipation that it would be necessary to reduce the days of operation for budgetary reasons. However the competitive tenders received will now enable the existing three day a week service to be retained.

## **12. Future direction**

- 12.1. The award of these tenders represents the best means to meet the local communities' travel requirements in the current financial climate. The proposals enable the County Council to maintain current levels of service in the areas affected at a lower cost, and thus represent increased value for money.

## **13. Recommendations**

- 13.1. That approval be given to award the following public bus contracts, under the Public Bus Dynamic Purchasing system, in the Winchester area to commence on 04 September 2016 for an initial 4 year term, with options to extend for 2 further years in annual increments;
- Service 6A/63 at £18,881 per annum
  - Service 46 at £44,979 per annum
  - Service 95/96 at £15,600 per annum
- 13.2. That approval be given to extend the current public bus contract for the 67 service, procured under the Public Bus Dynamic Purchasing System, in the Winchester area to commence on 04 September for one year;
- Service 67 at £191,245 per annum
- 13.3. That approval be given to award a public bus contract under the Public Bus Dynamic Purchasing System for service 3/5A in the Winchester area to commence on 04 September 2016 for a initial 2 year term, with the option to extend for a further year, with the full cost of the service being met by Winchester Town Forum;
- Service 3/5A at £12,392 per annum
- 13.4. That approval be given to award a contract under the Public Bus Dynamic Purchasing System for Service 125 in the Ringwood area to commence on 04 September 2016 for an initial 2 year 4 month term, to align this contract

with the New Forest tender round, with the cost met from the bus subsidy budget and a contribution from Dorset County Council;

- Service 125 at £26,500 per annum

13.5. That the Director of Economy, Transport and Environment be authorised to agree variations to the items referred to in paragraphs 13.1 to 13.4 above, in consultation with the Executive Member for Environment and Transport.

Rpt/7582/CW

**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> Executive Member for Economy, Transport and Environment: Passenger Transport Review and Hampshire Concessionary Travel Scheme 2015/16	<u>Reference</u> 6029	<u>Date</u> 27 October 2014
<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. Equality Duty**

1.1. The County Council has a duty under Section 149 of the Equality Act 2010 ('the Act') to have due regard in the exercise of its functions to the need to:

- Eliminate discrimination, harassment and victimisation and any other conduct prohibited under the Act;
- Advance equality of opportunity between persons who share a relevant protected characteristic (age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, gender and sexual orientation) and those who do not share it;
- Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

**Due regard in this context involves having due regard in particular to:**

- a) The need to remove or minimise disadvantages suffered by persons sharing a relevant characteristic connected to that characteristic;
- b) Take steps to meet the needs of persons sharing a relevant protected characteristic different from the needs of persons who do not share it;
- c) Encourage persons sharing a relevant protected characteristic to participate in public life or in any other activity which participation by such persons is disproportionately low.

### **1.2. Equalities Impact Assessment:**

A detailed consultation exercise was carried out ahead of the Passenger Transport Review 2014 (implemented from January 2015) together with a detailed Equalities Impact Assessment. The information from these has informed this retendering exercise. The proposed tender awards are to the existing routes and timetables and will continue to give access to employment, education, health, retail and leisure facilities for the widest section of the community while reflecting the current financial environment.

For these reasons it is considered the decision will have no impact other than to maintain the transport opportunities currently available.

### **2. Impact on Crime and Disorder:**

2.1. It is considered that the 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 use of the 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?

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