

HAMPSHIRE COUNTY COUNCIL

Decision Report

Decision Maker:	Executive Member - Environment
Date:	6 April 2010
Title:	Retendering of local bus services - Alton
Reference:	1099
Report From:	Director of Environment

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1. Executive Summary

- 1.1. The purpose of this paper is to detail the outcomes of tenders for renewal of the four year bus subsidy contracts in the Alton tendering area, which include Alton town routes and inter-urban routes serving Alton, Petersfield, Liphook, Winchester and Basingstoke, as well as school services and rail connection links.
- 1.2. It proposes a plan of action to ensure value for money and seeks to enable transport services which continue to ensure access to employment, education, retail, health and leisure facilities for the widest section of the community, supporting quality of life and well being.
- 1.3. The proposal also responds to changes in commercial service provision and rising costs by amending some timetables to maintain services for as many areas as possible all within affordable budget levels.
- 1.4. The opportunity was taken as part of re-tendering the Alton Cango services to consider the alternatives of operators providing their own vehicles – at present the County Council supplies dedicated vehicles for the service – or replacement by conventional bus services, but replacement on a similar basis to now was found to offer best value for money and is proposed.

2. Contextual information

- 2.1. Tenders were invited for the existing pattern of services and for alternative service options aimed at ensuring continued service provision within value for money criteria. All tenders invited tenderer's alternative options aimed at maintaining the services as a whole but with slight variations in order to keep within the budget.

- 2.2. One tender includes the carriage of six pupils attending Mill Chase Community School whose travel is covered by a season ticket package at a cost of £1,096. This is funded by Children's Services.
- 2.3. Six operators submitted tenders and all tenders were the subject of at least one bid.
- 2.4. Six operators submitted tenders for the Cango services.

3. Finance

- 3.1. The current cost of bus services is £605,370 including home to school transport at a cost of £11,373 making the cost to the Passenger Transport budget £593,997. In addition, East Hants District Council fund service 12 – East Hants Rail Link – at a cost of £44,000. It is unlikely that funding will be available for the 12 beyond June 2010.
- 3.2. The lowest combination of tender prices is £523,913 but this involves operators' alternative timetables which would lead to significant reductions in the services provided. To retain the existing service pattern largely unchanged, including Home to School Transport, would cost £593,164 per annum and uses several combination tenders. This figure allows for continued provision of journeys on service 13, which connect with trains at Liphook, introduced in 2009 after the South West Trains Rail Link bus service was withdrawn. East Hampshire District Council introduced service 12 in 2009 to provide additional early morning and mid-evening journeys to Liphook station but it is unlikely that funding will be available beyond June 2010. Surveys identified two journeys on the 12 which meet value for money criteria. It is proposed that these be retained at a cost of £9,000, using savings from the combination tenders. This would bring the cost to £602,164 including Home to School Transport funding at the current rate.
- 3.3. Service 250, the Liphook Local Service, benefits from developer contributions for the Sainsbury's store in Liphook. The remaining contribution of £5,073 will contribute to supporting the service for just over one year. It is proposed that, from March 2011, expenditure from the public transport budget is increased accordingly but remains within value for money criteria.
- 3.4. The preferred tender options include the improved connections at Liphook station and retain the current transport network largely unchanged at a cost of £602,164 of which £590,791 falls on the Passenger Transport budget resulting in a saving of £3,206. Stagecoach is reviewing commercial routes 72/372/X72 and 37/737 which will be merged to form a new service 37/38 which will offer new journey opportunities.
- 3.5. The opportunity was taken to invite a range of tender options for the Alton Cango. The current cost of the Cango service is £210,377. This is the gross cost before Home to School Transport and fares revenue is taken into account. The preferred option retains the current service at a gross cost of

£146,000, a saving of £64,377, by awarding the contract to Wheelers Coaches, which is an established operator of school services for the County Council.

4. Performance

- 4.1. The proposed tenders meet the value for money criteria and provide services to the widest area within affordable budget levels. The tenders offer generally the same level of service as is currently provided.

5. Other key issues

- 5.1. Renewal of these tenders will enable continued provision of services which meet the needs of all the community.
- 5.2. Using a mixture of combination tenders from various operators has resulted in a saving of £3,206 at the same time as maintaining current service provision.
- 5.3. The operator Stagecoach has taken this opportunity to review the routes 72/372/X72 and 37/737 which have been merged to form the new Service 37/38.
- 5.4. Options regarding the proposed Eco-Town were deferred ahead of work to identify future transport needs.
- 5.5. The tenders also included options for the use of low-floor vehicles but in most cases this would have exceeded value for money criteria. On some Alton services the use of low-floor vehicles is not feasible due to the camber of the roads. Low-floor buses have been offered by the preferred bidder for the 94, 95 and 250.
- 5.6. The re-tendering exercise for Cango enabled the existing level of service to be maintained whilst producing a budget saving.

6. Consultation

- 6.1. Details of the proposed tenders were sent to local County Councillors, District Councillors, Parish Clerks and other interested parties for the area and the surrounding areas affected by the services being tendered, more than 75 in total.
- 6.2. Comments were received from seven parish councils with requests for the County Council to support enhanced evening and weekend services, the East Hampshire Passenger Transport initiative, additional community transport in East Hampshire and a request to provide a monorail service on the proposed Bordon rail link. The opportunity is proposed to retain the enhanced service 13 and to add extra connections at Liphook station on two journeys.

7. Future direction

7.1. The award of these tenders represents the best means to meet the public transport travel needs of the local community.

8. Recommendation

8.1. That approval be given to award tenders for new four year bus subsidy contracts for the Alton/East Hants area at a total cost of £602,164 per annum which is affordable within available budget levels and retains a similar level of service to that currently provided whilst achieving a modest saving.

8.2. That approval be given to award a tender for a new two year contract for Cango services in the Alton area at a cost of £146,000 which retains the current level of service and is affordable within the budget available.

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.)

DocumentLocation

None

IMPACT ASSESSMENTS:

1. Equalities Impact Assessment:

- 1.1. The proposals in this report maintain accessibility for the widest section of the community.

2. Impact on Crime and Disorder:

- 2.1. Not applicable.

3. Climate Change:

- a) 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.
- b) How does what is being proposed consider the need to adapt to climate change, and be resilient to its longer term impacts?
 - This recommendation will have a significant positive effect on sustainable transport provision.