

HAMPSHIRE COUNTY COUNCIL

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Decision Report

Decision Maker:	Executive Member for Environment and Transport
Date:	17 July 2018
Title:	Andover Villages Bus Service and Winchester to Petersfield 67 Bus Service
Report From:	Director of Economy, Transport and Environment

Contact name: Peter Shelley

Tel: 01962 847212

Email: peter.shelley@hants.gov.uk

1. Recommendations

- 1.1. That approval is given to award a new contract under the public bus dynamic purchasing system for the Andover Villages Bus Service (formerly known as Andover Cango) to commence on 7 October 2018 until 6 October 2019 with the option to extend in increments until 31 March 2021, at a maximum annual cost of £105,442 (and a potential total cost of £263,605 should the contract be fully extended), to be met from the Public Bus Budget.
- 1.2. That approval is given to award a new contract under the public bus dynamic purchasing system for the Winchester to Petersfield 67 Bus Service to commence on 1 September 2018 and operate until 31 July 2019 with the option to extend in increments until 31 July 2021, at a maximum annual cost of £175,729 (and a potential total cost of £512,543 should the contract be fully extended), to be met from the Public Bus Budget and the Home to School Transport Budget as detailed within this report.

2. Executive Summary

- 2.1. The purpose of this paper is to seek approval to award contracts for the two local bus services identified in 1.1 and 1.2 above.
- 2.2. This will allow services to continue beyond the expiry of the current contracts, notwithstanding the outcomes of the public consultation on public transport subsidies as detailed in paragraph 2.4 below.
- 2.3. These contracts will be funded from the Public Bus Budget, with contributions made from the Home to School Transport Budget. The timetables to be awarded are to the current specification. Both the timetables and the contract costs will be brought in line with the finances available from

April 2019 through negotiation with the operator once the outcomes of the public consultation on the proposals to change supported passenger transport services are known.

- 2.4. As part of the Councils Transformation to 2019 programme a consultation was launched in June 2018 in relation to the supported passenger transport services and concessionary travel scheme. This more detailed consultation follows on from the Serving Hampshire – Balancing the Budget consultation carried out last year and seeks the views from interested parties and the public on the options for delivering planned savings. The consultation closes at midnight on 5 August 2018.
- 2.5. As subsidised bus services, the level of financial support Hampshire County Council should provide in the future for both the 67 and Andover Villages Services forms part of this consultation.
- 2.6. It is proposed that the contracts are initially issued for one year with the possibility to extend in increments until 2021 to align them with other public bus contracts.
- 2.7. Approval of these proposals will allow good time to award the new contracts and advertise any change in operator.

3. Contextual information

- 3.1. The Passenger Transport Review, 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.

Andover Villages Service (formerly known as Andover Cango)

- 3.2. The Cango was introduced in 2001 as part of pioneering work by Hampshire County Council following a successful bid for Government funding. The funding provided for a fleet of vehicles, with a number of innovative features, including a computer and communications system which allowed the buses to 'roam' over a wider area, so replacing a number of separate bus routes, which had each struggled to carry sufficient passengers to be sustainable. Passengers rang in to book their journey, and their bookings determined the route that Cango took with limited opportunity to simply turn up and go like a conventional bus.
- 3.3. Although innovative, and copied in other parts of the Country, the bus areas where Cango worked best did not have large numbers of potential bus users, and for a number of reasons the cost per passenger trip remained high.
- 3.4. A single tender contract was issued replacing the Andover Cango service in 2017, which ensured continuity of service for the community whilst the outcomes of the County Council's Balancing the Budget Consultation were determined.

- 3.5. The Andover Villages Service (the revised name for Andover Cango) now operates to a set schedule which removes the need to book and therefore saves the cost of a booking system. The Andover Villages Service operates a series of routes covering communities across a wide area.
- 3.6. The cost of the Andover Villages Service contract was £115,693pa. This was funded from the Public Bus Budget with a contribution made of £14,029 from the Home to School Transport Budget.
- 3.7. The existing single tender contract for the Andover Villages service cannot be extended further. A new contract must be issued to comply with procurement regulations.
- 3.8. It is proposed to award a contract on the existing specification and then modify or end the contract through negotiation with the operator once the outcomes of the consultation outlined in 2.4 of this report are known. This approach ensures service continuity, complies with procurement regulations and removes the requirement to consult the market twice in a very short timeframe for similar services.
- 3.9. The contract this report is proposing to award will not include a Home to School Transport Contract and will be funded solely from the Public Bus Budget.
- 3.10. Providing the option to extend this contract until 2021 allows the Council the ability to align it with the other public transport contracts, to support efficiency in procurement and contract letting in the future.

Winchester to Petersfield 67 Bus Service

- 3.11. The 67 Bus Service runs from Petersfield to Winchester, serving villages in between.
- 3.12. In 2017 a short single tender contract was awarded for the 67 bus service to enable the Hampshire County Council Childrens Services Department to commence an ongoing review regarding how Home to School Transport is delivered.
- 3.13. Childrens Services has confirmed that it requires capacity on 67 for the forthcoming academic year and the 67 Bus Service remains intrinsic to home to school transport provision in the Meon Valley with scholars accounting for over 42% of annual passenger journeys.
- 3.14. The cost of the current 67 service is £196,200pa, of which £54,979pa comes from the Home to School Transport Budget.
- 3.15. The existing contract expires on 30 August 2018, prior to consideration of the results of the consultation exercise, and decisions on the review of public transport subsidies.

- 3.16. The existing single tender contract for the 67 service cannot be extended further. A new contract must be issued to comply with procurement regulations.
- 3.17. It is proposed to award a contract to the existing specification and then modify the contract through negotiation with the operator once the outcomes of the consultation outlined in 2.4 of this report are known. This approach ensures service continuity, complies with procurement regulations and removes the requirement to consult the market twice in a very short timeframe for similar services.
- 3.18. Providing the option to extend this contract until 2021 allows the Council the ability to align it with the other public transport contracts.

4. Finance

- 4.1. The maximum cost of the new Andover Villages Bus Service Contract will be £105,442pa. This will be met by the Public Bus Budget.
- 4.2. The maximum cost of the new 67 Contract will be £175,729pa, of which £45,825 will come from the Home to School Transport Budget. This approach has been agreed with the Childrens Services Department, which is looking to re-plan its Home to School Transport along the route with any changes taking effect in September 2019.
- 4.3. The contract values may be varied, in negotiation with the successful operators to align with the results of the public consultation on the proposals to change supported passenger transport services. Any variation to the contract values won't exceed the figures stated within this report
- 4.4. The new Andover Villages and 67 Bus Services contracts represent a net saving across the Local Bus and Home to School Transport budgets.

5. Overview of the retendering

- 5.1. Bids were received from 2 operators for the Andover Villages Bus Service.
- 5.2. Bids were received from 3 operators for the 67 Bus Service.
- 5.3. Bids were assessed 100% on price.
- 5.4. This report proposes to award the most economically advantageous tender for both services.

6. Overview of the procurement

- 6.1. The contracts have been procured using the Public Bus Dynamic Purchasing System and based 100% on price.

- 6.2. The contract for the 67 service will commence on 1 September 2018 and will run until 31 July 2019 to align with the academic year given the volume of school traffic. There is the option to extend the contract in increments until 31 July 2021.
- 6.3. The contract for the Andover Villages service will commence on 7 October 2018 and will run until 6 October 2019. There is the option to extend the contract in increments until 31 March 2021.
- 6.4. Both contracts may be varied once the outcomes of the public consultation on the proposals to change supported passenger transport services are known, and decisions made on the review of public transport subsidies.

7. Performance

- 7.1. The performance of the Andover Villages and No 67 bus services will be monitored and evaluated using the established performance indicators for subsidised bus services, consistent with other subsidised routes across the County.

8. Future direction

- 8.1. The proposed award of the tenders identified in 1.1 and 1.2 of this report represents best value for money for the Council at this time.
- 8.2. The proposed award will ensure continuity of service by maintaining the transport links within the communities served until the outcomes of the public consultation on the proposals to change supported passenger transport services are known.
- 8.3. The proposed award of the 67 service will ensure that the transport link for scholars, who rely on the service to access educational facilities, is maintained.

CORPORATE OR LEGAL INFORMATION:**Links to the Strategic Plan**

Hampshire maintains strong and sustainable economic growth and prosperity:	Yes
People in Hampshire live safe, healthy and independent lives:	Yes
People in Hampshire enjoy a rich and diverse environment:	No
People in Hampshire enjoy being part of strong, inclusive communities:	Yes

Other Significant Links

Links to previous Member decisions:	
<u>Title</u> Andover Cango Bus Service http://democracy.hants.gov.uk/ieDecisionDetails.aspx?ID=381	<u>Date</u> 4 August 2017
Direct links to specific legislation or Government Directives	
<u>Title</u> 67 Winchester to Petersfield Bus Service http://democracy.hants.gov.uk/documents/s5069/Decision%20Record.pdf	<u>Date</u> 4 August 2017

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. 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:

This report proposes to maintain the existing service provision, so the decision is anticipated to have a neutral impact on groups with protected characteristics.

2. Impact on Crime and Disorder:

2.1. As this report proposes to maintain the existing service provision, there is no change to the potential impact on Crime and Disorder.

3. Climate Change:

- a) How does what is being proposed impact on our carbon footprint / energy consumption?
- b) How does what is being proposed consider the need to adapt to climate change, and be resilient to its longer term impacts?

As this report proposes to maintain the existing service provision, there is no additional impact to the Council's carbon footprint / energy consumption.