

HAMPSHIRE COUNTY COUNCIL

Decision Report

Decision Maker:	Executive Member for Environment and Transport
Date:	11 July 2017
Title:	Bus Rapid Transit/Voluntary Quality Bus Partnership Agreement
Report From:	Director of Economy, Transport and Environment

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1. Executive Summary

- 1.1. The current partnership agreement covering Bus Rapid Transit Phase 1 in Fareham and Gosport is reaching the end of its five year term. The purpose of this paper is to set out the revised Heads of Terms for the continued operation of the South Hampshire Bus Rapid Transit (BRT) project, for discussion with South Hampshire Bus Operators Association (SHBOA). This report also seeks delegated authority to conclude the details of the next agreement with individual bus operators.
- 1.2. The format of the agreement is such that the outline wording is agreed between the County Council as Highway Authority and SHBOA as the representative body for all bus operators in South Hampshire. The agreement can then be signed by any bus operator who wishes to operate services on the busway, on condition that they meet the criteria set down in the Partnership Agreement.
- 1.3. For the first five years of operation, First has been the only operator to have signed a Partnership Agreement and therefore gained the entitlement to operate BRT services on the busway. Under the Traffic Regulation Order covering the busway, a small number of school bus services are also permitted to operate along the busway to and from St Vincent College in Gosport. The first phase of BRT services began in April 2012 operating between Fareham town centre, Fareham rail station and the Gosport ferry interchange. To ensure that high quality, attractive, fast and reliable services were provided, the partnership committed both parties to delivering the aspects of the service for which they have responsibility, to meet certain quality standards.
- 1.4. The existing agreement has delivered significant patronage growth, exceptionally reliable journey times, very high levels of user satisfaction, major private sector investment by First in new vehicles, more frequent

services, and financial contributions from the operator towards new BRT infrastructure and marketing. Such was the demand for the services, First increased the frequency of buses on the busway from every 7/8 minutes at the launch to every six minutes in November 2013 and to every five minutes in late 2016. The services are run entirely on a commercial basis with no public subsidy.

- 1.5. This paper seeks to secure agreement to renegotiate the existing agreement with SHBOA taking into account the experience of five years of operation, making amendments that will secure the continued high quality of services whilst reducing the on-going financial commitment to the County Council.

2. Contextual information

- 2.1. The Fareham to Gosport BRT services, branded as Eclipse, set new standards for bus services in Hampshire when they commenced in 2012. The infrastructure includes a 3.5km busway along part of the disused rail corridor which enable Eclipse services to bypass traffic on the heavily congested parallel A32. The project also delivered high quality passenger waiting facilities, a dedicated website, Real Time Passenger Information screens at all bus stops along the busway and at interchange points, and traffic light priority at several junctions.
- 2.2. The existing Partnership Agreement was signed in 2012 and the operation of Eclipse services and the infrastructure are overseen by a BRT Board comprising representatives of First and Hampshire County Council.
- 2.3. The project has been a great success. Patronage on Eclipse services has increased by around 65% compared to the services they replaced. As a result, total bus use on the corridor between Gosport and Fareham has increased by over 12%. Considerable journey time monitoring and passenger interviews have been carried out which identify that around 20% of passengers used to travel by car before BRT started, and that irrespective of the time of day or week, end to end journey times are remarkably consistent as a result of the traffic-free busway.
- 2.4. Under the Agreement, BRT services must include a number of features for passengers including free wi-fi, leather seats, next-stop audio and visual announcements and a Passenger Charter. Further features of the Agreement include a stable network with limited timetable changes, marketing and promotional activities, and a contribution from operators to future BRT infrastructure when certain passenger and profitability targets are met.
- 2.5. This partnership approach has been instrumental in supporting the County Council in securing Government funding to implement additional BRT infrastructure measures, which have assisted BRT services to get through congested traffic at Brockhurst roundabouts, Lees Lane in Gosport, and when exiting Fareham bus station onto the A27 Western Way.

- 2.6. The BRT project continues to see improvements, with works on-going at Fareham rail station to improve interchange facilities for passengers and improve traffic flow through the signals at Redlands Lane and Gudge Heath Lane. The Fareham to Gosport route also forms part of the potential wider South East Hampshire BRT network. The Hard Interchange in Portsmouth has recently seen major investment which improves interchange for passengers travelling from Gosport to Portsmouth and onwards. The wider South East Hampshire BRT network also features in the Solent Local Enterprise Partnership's (LEP) Strategic Transport Investment Plan and the PUSH Spatial Position Statement. SHBOA is very keen to work with the highway authorities to play their part in developing and implementing proposals to deliver the wider BRT network.
- 2.7. Independent evaluation of the BRT Phase 1 project by KPMG has indicated the value of BRT to the local economy. The report found that for every £1 of investment, Eclipse has delivered up to £6.94 of benefits to users, non-users and the wider economy.
- 2.8. In respect of wider impacts, the fleet of brand new Eclipse buses has helped mitigate the Air Quality Management Areas in the centre of Fareham, as well as reducing the number of car journeys made between Fareham and Gosport. Evidence shows that a number of people are choosing to use Eclipse even when they have a car available for their journey.
- 2.9. Eclipse has been successful in securing a number of national awards for its achievements, and this is at least in part due to the Partnership Agreement under which it operates. The achievements of Eclipse have been recognised by the National Transport Awards, UK Bus Awards and the Smarter Travel Awards amongst others.

3. Heads of Terms of the new Agreement

- 3.1. As with the current agreement, the proposed Heads of Terms of the new agreement are as follows:
 - Duration, Purpose and Status of the Agreement
 - Partnership Board and Additional Partners
 - Abandonment of the Project, Termination and Withdrawal
 - Monitoring and Review
 - Liability and Indemnity
 - Warranties and Representations
 - Intellectual Property and Social Responsibility

- Freedom of Information, Confidentiality, and Contract (Rights of Third Parties) Act 1999
- Assignment, Variation, and Notices
- Governing Law – that this Agreement is governed by English law.

3.2. The agreement will include Schedules specifying the following:

- Standards of Service
- Promotion and Marketing
- Real Time Information and Telematics System
- Data Provision
- Monitoring and Quality Control
- Maintenance of Passenger Infrastructure and Bus Facilities
- Enforcement of Traffic Regulation Orders (TROs);
- Operator Financial Contributions
- Targets
- Facilities
- Traffic Regulation Orders

3.3 The agreement will permit other parties to sign the Voluntary Partnership Agreement e.g. new bus operators wishing to operate BRT services.

4. Finance

4.1. There are no new financial implications as a direct consequence of this report. However, as part of the ensuing negotiations the County Council will seek to reduce its committed level of maintenance funding under the new Partnership Agreement. The passenger facilities and other BRT infrastructure are currently maintained to a particularly high standard and there is scope to negotiate a reduced funding commitment under the new agreement by working differently. For example, there is scope to work with the operator to change the method of opening and closing the barriers on the busway at the beginning and the end of each operational day. The operator could take on responsibility for this at a reduced cost over current expenditure, with the barriers being opened manually rather than remotely via CCTV.

- 4.2. A further example could be a reduction of 50% in the frequency of cleaning and maintenance carried out to the bus stops along the busway, i.e. the frequency at which bus shelters are inspected and cleaned. Further reductions in spend could include the removal of a number of CCTV masts along the busway which are currently used to monitor traffic. Across the Passenger Transport and Intelligent Transport Systems revenue budgets, savings of up to approximately £50k per annum could be achieved through the new agreement.
- 4.3. There are no implications for the County Council's bus subsidy budget as all Eclipse services are operated on a commercial basis. New vehicle investment is funded entirely by operators.
- 4.4. The Operator Contribution schedule of the current agreement has so far yielded funding in three of the four years of operation, to be re-invested in the BRT network. It is anticipated that a similar clause will be carried over into the new agreement. The existing Agreement states that the fund should be spent on BRT infrastructure projects or promotional campaigns.
- 4.5. Funding to date of £417,000 has been allocated to match funding for funding bids to Government and the Solent LEP, marketing initiatives, and feasibility and design studies for new bus stops to be installed on the busway following requests from local residents and Councillors. As a change to the existing Agreement, the County Council will explore the principle of including a contribution to HCC maintenance expenditure as part of the Operator Contribution schedule.

5. Future direction

- 5.1. It is anticipated that the Fareham to Gosport BRT Phase 1 project will act as a template for future investment in BRT in the wider South East Hampshire area. This is consistent with the investment in transport infrastructure proposed by the Solent LEP, PUSH and Solent Transport. The County Council continues to submit bids for funding to extend the busway further south towards Gosport, to build on the successes achieved to date.

6. Recommendations

- 6.1. That the Heads of Terms for a new Voluntary Partnership Agreement be approved for discussion with the South Hampshire Bus Operators' Association (SHBOA) for Phase 1 of the South Hampshire Bus Rapid Transit project between Fareham and Gosport.
- 6.2. That authority be delegated to the Director of Economy, Transport and Environment, in consultation with the Executive Member for Environment and Transport, the Head of Legal Services, and the Director of Corporate Resources, to finalise the Heads of Terms in discussion with SHBOA and to enter into legally enforceable partnerships with bus operators based on these terms.

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

Hampshire safer and more secure for all:	Yes
Maximising well-being:	Yes
Enhancing our quality of place:	Yes

Other Significant Links

Links to previous Member decisions:		
<u>Title</u>	<u>Reference</u>	<u>Date</u>
Bus Rapid Transit/Voluntary Quality Bus Partnership Agreement. Executive Member – Environment	1463	6 th April 2010
Executive Member for Policy & Resources. Project Appraisal: South East Hampshire Bus Rapid Transit – Phase 1 Fareham to Gosport	460	29 January 2009
Direct links to specific legislation or Government Directives		
<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:

The impact has been assessed as neutral, however, as a result of the BRT services that will be delivered under this proposed legal agreement, the BRT scheme will continue to provide enhanced public transport facilities for the whole community with improved accessibility provided to waiting facilities and bus services. Older people, young people and those on lower incomes are generally greater users of bus services than other age and income groups.

2. Impact on Crime and Disorder:

2.1 Under the existing agreement, emergency service vehicles are permitted to use the busway whether on emergency calls or otherwise, and this has helped to improve safety and security along the busway.

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?

The Eclipse fleet of vehicles has a significantly better emissions performance than previous buses in Fareham and Gosport, thus reducing fuel consumption and providing improved air quality, of particular relevance to the Air Quality Management Areas in Fareham town centre. The agreement means that Eclipse vehicles can be no older than five years, ensuring the latest emissions performance. As buses are not held up in traffic on the busway, this also reduces emissions locally. Under the proposed agreement, new engine technologies for Eclipse buses can be explored.