

## HAMPSHIRE COUNTY COUNCIL

### Decision Report

<b>Decision Maker:</b>	Executive Member for Economy, Transport and Environment
<b>Date:</b>	14 January 2020
<b>Title:</b>	Conversion of 28 Bordon Local Bus Service to a Taxishare
<b>Report From:</b>	Director of Economy, Transport and Environment

**Contact name:** Lisa Cook

**Tel:** 01962 847143

**Email:** lisa.cook@hants.gov.uk

#### Purpose of this Report

1. The purpose of this report is to propose the conversion of the 28 Bordon Local Bus Service into a Taxishare as a more appropriate mode of public transport for the existing levels of use.

#### Recommendations

2. That approval is given for the award of a contract for a Taxishare Service offering full replacement provision for the 28 Bordon Local Bus Service, to commence on 1 February 2020 for a one year period at a cost of £22,327 to be funded from a Ministry of Housing, Communities and Local Government grant, with the option to extend for a further year should funds allow.
3. That options are explored for alternative funding to bridge any gap that might arise between the expenditure of the grant funds and the availability of developer contributions, and that authority is given to submit any appropriate bids or applications.

#### Executive Summary

4. The contract for the existing 28 Bordon Local Bus Service commenced on 11 February 2018. It was awarded until 1 February 2020 and the existing contract allows a possible further one-year extension.
5. The contract for the 28 Bordon Local Bus Service has an annual cost of £53,333 per annum and is funded through a Ministry of Housing, Communities and Local Government (formerly known as Department for Communities and Local Government) Grant.

6. A combination of low usage, limited remaining grant funding, and housing growth levels that have yet to trigger the release of further developer contributions has led to the County Council reviewing transport provision in Bordon and proposing to convert the existing bus service to a Taxishare.

### **Contextual information**

7. In 2012, a contract was awarded for an Eco-Bus service funded by the Department for Communities and Local Government Grant, which was made available to provide immediate, local improvements to bus services in Whitehill and Bordon as part of the Eco-town project.
8. This contract ran for five years from 2012 to 2017, after which the Whitehill and Bordon Public Transport Strategy, written in 2012, was due to be implemented.
9. Within the Whitehill and Bordon Public Transport Strategy, revised public transport services were scheduled to be implemented to coincide with the forecast build out rates of the new developments. The revised services will be funded through pump priming, utilising Section 106 contributions from the developments.
10. The Whitehill and Bordon Public Transport Strategy forecast building in Whitehill and Bordon to commence in 2013. However, after this document was implemented, the pace of housing delivery was revised, resulting in the contract for the Eco-Bus expiring prior to the County Council's being in receipt of developer contributions to fund a revised transport solution for Whitehill, Bordon and the surrounding villages. In addition, the increase in population that would translate to patronage for the revised service had not yet materialised.
11. To resolve this, as an interim arrangement, the 28 Bordon Local Bus Service was competitively tendered using the Public Bus Dynamic Purchasing System (DPS).
12. The contract was awarded to commence on 11 February 2018 and run until 1 February 2020 with a possible further one-year extension until 1 February 2021.
13. Onboard surveys have been conducted between August and November 2019 to ascertain how many passengers are using this service and where they were travelling to and from.
14. Surveys have shown that on average 4 passengers travel on each journey from Monday to Saturday. The service sees more use in the morning and a very poor level of use in the afternoon
15. In terms of journey purpose, surveys show that 77% of journeys are made for shopping purposes, 5% for medical reasons, 2% for employment and 16% for other purposes. 76% of journey are made by passengers who hold a concessionary bus pass. This is consistent with the previous onboard surveys which were carried out in 2018.

16. This combination of low usage and high proportion of shopper journeys made by concessionary bus pass holders lends itself to a Taxishare as an alternative to a bus service. A Taxishare uses a licensed Taxi or Private Hire vehicle to deliver a timetabled service to passengers who have pre-booked their seat. This public transport model has the flexibility to enable the supplier to provide an appropriately sized vehicle to meet the passenger demand and, where there are no passengers who wish to travel, the ability not to provide a service at all.
17. This model has been successful in Whitehill and Bordon previously. Between 2007 and 2013, a similar Taxishare service was provided, carrying out between 200-300 passenger trips each month.

### **Finance**

18. The existing local bus contract has an annual cost of £53,333 per annum and is funded through a Ministry of Housing, Communities and Local Government grant.
19. The current subsidy for this service is £5.67 per passenger trip.
20. There is approximately £22,327 of grant remaining, which is sufficient to fund the bus service until August 2020.
21. A Taxishare service would offer 'like for like' provision for a maximum annual cost of £37,440.
22. If the same number of passengers used the Taxishare service, the forecasted subsidy per passenger trip for this service would be £3.98.
23. The forecasted fare revenue that would be collected on the service would bring the maximum annual cost down to £28,037 and the corresponding subsidy per passenger trip to £2.98.
24. If the service was replaced with a Taxishare, there would be sufficient grant to fund the service until at least November 2020 if every journey was operated. The financial model under which a Taxishare operates means that if a contracted journey does not run due to a lack of passengers wishing to travel, Hampshire County Council is not invoiced. This flexible arrangement means that if demand is low, as per the existing bus service, the cost of the service will reduce and therefore the remaining grant funding could extend beyond November.
25. In the meantime, to allow for continuity of service, alternative funding will be sought to support the service in advance of receipt of additional developer contributions. The County Council's future strategy will be to utilise the developer contributions from the developments in Bordon as pump priming to support the establishment of a commercially viable bus service.

### **Procurement**

26. The Taxishare service was tendered via the Dynamic Purchasing System (DPS) for vehicles of 16 seats and fewer.

27. Prices were sought for both a four and eight-seater vehicle.
28. The 4 bids were received and evaluated on the basis of 100% price.
29. The lowest price tender provided for an eight-seater vehicle.
30. This paper seeks approval to award a one year contract for the Taxishare with the option to extend for a further year should funds allow.
31. The contractual arrangements will not include a minimum spend requirement.
32. The contract costs will be closely monitored and notice will be given to coincide with the grant funding running out.

### **Performance**

33. Replacing the bus service to a Taxishare allows for continuity of service for existing passengers and residents.
34. This approach maximises the use of the remaining Ministry of Housing, Communities and Local Government Grant.

### **Conclusions**

35. The proposed approach of replacing the bus service with a Taxishare will ensure that the remaining funds are utilised as efficiently as possible to maintain a pattern of service within the constrained financial resources available. This report also seeks authority for the further exploration of additional financial support, which would allow the service to be maintained or enhanced until such time as the identified developer contributions become available.

**REQUIRED CORPORATE AND LEGAL INFORMATION:**

**Links to the Strategic Plan**

<b>Hampshire maintains strong and sustainable economic growth and prosperity:</b>	yes
<b>People in Hampshire live safe, healthy and independent lives:</b>	yes
<b>People in Hampshire enjoy a rich and diverse environment:</b>	yes
<b>People in Hampshire enjoy being part of strong, inclusive communities:</b>	yes

**Other Significant Links**

<b>Links to previous Member decisions:</b>	
<u>Title</u> Whitehill Bordon Bus Service Proposals (3635)	<u>Date</u> 6 March 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.)

Document

Location

None

## **EQUALITIES IMPACT ASSESSMENT:**

### **1. Equality Duty**

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 by or under the Act with regard to the protected characteristics as set out in section 4 of the Act (age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation);
- Advance equality of opportunity between persons who share a relevant protected characteristic within section 149(7) of the Act (age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation) and those who do not share it;
- Foster good relations between persons who share a relevant protected characteristic within section 149(7) of the Act (see above) and persons who do not share it.

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

- The need to remove or minimise disadvantages suffered by persons sharing a relevant characteristic connected to that characteristic;
- Take steps to meet the needs of persons sharing a relevant protected characteristic different from the needs of persons who do not share it;
- 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.

### **2. Equalities Impact Assessment:**

The recommendations will provide continuity of service for affected residents and so although the service model will change, the overall effect on residents has been assessed as neutral, including for those with protected characteristics.