

Central Bedfordshire Council

Executive

5 April 2016

Passenger Transport Strategy: Introduction of a Dynamic Purchasing Scheme and Consultation on Public Transport Proposals

Report of Cllr. Brian Spurr, Executive Member for Community Services
(brian.spurr@centralbedfordshire.gov.uk)

Advising Officers: Marcel Coiffait, Director of Community Services
marcel.coiffait@centralbedfordshire.gov.uk

Drafting Officers:

Susan Childerhouse susan.childerhouse@centralbedfordshire.gov.uk

Ext: 74394

Rebecca Flowerdew Rebecca.flowerdew@centralbedfordshire.gov.uk

Ext: 74944

This report relates to a Key Decision

Purpose of this report

1. The Passenger Transport Strategy (PTS) for Central Bedfordshire is currently being prepared. Proposals for the delivery of Public Transport form part of the PTS. The purpose of this report is to seek the views of the Executive on proposals relating to Public Transport, including: subsidised public bus routes, community transport provision and concessionary travel, in order to approve the proposals for public consultation. Agreement is also being sought for Public Transport to move from the current procurement framework to a Dynamic Purchasing System (DPS) to procure transport providers.

RECOMMENDATIONS

Executive is asked to:

1. **approve the policies relating to Subsidised Bus, Services, Concessionary Travel and Community Transport set out in Appendix A for public consultation; and**
2. **approve the use of a Dynamic Purchasing Scheme (DPS) to procure transport providers.**

Overview and Scrutiny Comments/Recommendations

2. This report was considered by Sustainable Communities Overview and Scrutiny Committee on the 10 March 2016. The recommendations of the committee are as follows:
 - that Executive approves the policies relating to Subsidised Bus, Services, Concessionary Travel and Community Transport set out in Appendix A for public consultation; and
 - that Executive approve the use of a Dynamic Purchasing Scheme (DPS) to procure transport providers.

Background

3. Central Bedfordshire Council does not have a current Passenger Transport Strategy (PTS) and is therefore in the process of developing one. The aim of the PTS is to deliver transport services that are safe, effective and fit for purpose and provide a framework for decision making processes in relation to all PTS services.
4. The PTS will be developed alongside and sit within the Central Bedfordshire Local Transport Plan (LTP) which is also currently under review. The PTS will set out the Council's objectives for passenger transport in the Central Bedfordshire area and will be supported by relevant policies and best practice.
5. The PTS refers to users of road based 'public' transport such as commercially operated local bus routes and community transport as well as fleet transport for the provision of home to school transport and home to day setting transport for vulnerable children and adults.
6. Before a PTS can be adopted consultation with relevant stakeholders must be undertaken. There are three strands to the PTS which require public consultation: subsidies for public bus routes, funding for community transport providers and concessionary travel. The other work streams are either being consulted on with internal stakeholders or the policy has already been consulted on and adopted.

Public Transport

7. The proposals for subsidised bus services, concessionary fares and community transport are set out in more detail at Appendix A

Subsidised Bus Services

8. Central Bedfordshire Council currently subsidises many bus services although this is not a legal requirement. In 2015/2016 the total cost of subsidies will be approximately £1,300,000. Whilst subsidising local bus services is discretionary we must take account of social inclusion especially for the elderly. If we did not offer such support there is likely to be many areas without a bus service.

9. There are currently 85 conventional bus services in Central Bedfordshire. Of these, 45 receive subsidy from CBC the remaining 40 routes are fully commercial. Many types of local bus service require financial support because they are not commercially self-sustaining, generally because of low patronage.
10. In order to promote clear and transparent decision making and create a sustainable system for allocating future subsidies it is proposed that subsidies will be determined by a Subsidised Bus Service Assessment Process using a network of core, secondary and least-used routes (Appendix A). It is also proposed that subsidies will be limited to times of higher passenger demand:
 - Monday to Friday 8am to 6.30pm
 - Saturday 8am to 3pm
 - No subsidies for Sunday services.

Concessionary Fares

11. There are approximately 43,000 bus pass holders in Central Bedfordshire. Their journeys represent in approximately 40 per cent of all total bus journeys within Central Bedfordshire. The Council also provides a Travel Aid scheme. This allows discounted travel for the unemployed on many local bus services for a fee of £5 for 28 days. Applications for Travel Aid passes are made via local Job Centres.
12. In order to improve processes, reduce waste and deliver efficiencies it is proposed that national time regulations for free travel for bus pass holders are adopted, automatic renewal of travel passes is ended and a move to online applications for travel passes will be implemented from 2020. It is also proposed that the Travel Aid scheme will only continue for bus companies wishing to participate, at no additional cost to the council. More detail regarding these proposals is set out in Appendix A.

Community Transport

13. Financial support for Dial-a-Ride services is discretionary. The Council currently chooses to support Dial-a-Ride services through grant payments. Market research conducted November 2015- January 2016 demonstrated the high quality of Dial-a-Ride services in Central Bedfordshire and the significant social value these services provide.
14. In order to create a clear and transparent process for funding Dial a Ride services in future, it is proposed that the Council introduce a tender-based system where organisations are invited to provide Dial a Ride proposals for Central Bedfordshire with options for members of the public to pay part of the fare.

Smarter Procurement

15. The Procurement of Public Transport is currently catered for within the Passenger Transport Framework in Lot 4 – Supported Local Public Bus and Community Bus Services. The framework is due to expire in June 2016, however; this has been extended by a year to enable a new procurement mechanism to be set up.
16. The current Framework allows for mini competitions to be held between transport operators that have been accepted on to the Framework at the initial set up stage. The framework also caters for the other areas of Passenger Transport within three other Lots:
 - Lot 1 – Short Notice and Urgent Transport Services
 - Lot 2 – Mainstream School Transport
 - Lot 3 – Special Educational Needs and Social Care Transport.
17. As with all frameworks, once the application deadline has past the framework is locked and further additions are not permitted. During the existing Framework set-up, several public transport companies did not meet the deadline and therefore have been prevented from tendering for routes during the entire lifetime of the Framework. This has restricted the availability of contractors and resulted in less competition and potentially increased costs to the Council. The use of a standard framework also means that new companies starting up after the application deadline, who may offer competitive rates, cannot tender or apply until the framework expires.
18. A Dynamic Purchasing System (DPS) is a procedure available for contracts for works, services and goods commonly available on the market. As a procurement tool it shares some aspects of the standard framework agreement but new suppliers can join at any time during its existence. A DPS is a two stage process; an initial set up with selection criteria and a second stage where individual contracts are awarded following mini-competitions.
19. The DPS allows more flexibility as suppliers may join at anytime. It will allow new start up companies to apply for access during the life of the DPS and provide more competition for tenders.
20. After the initial set up mini competitions must be out for tender for a minimum of 10 days. This would make it unsuitable for emergency transport required by Special Educational Needs transport but this is a workable timeframe for Public Transport. A DPS requires more management during its lifetime than a framework agreement as provision must be made to evaluate any requests made by potential suppliers within 10 days of the application being made.

Reasons for decision

21. The decision to support the proposals for Public Transport (Appendix A) for public consultation is necessary as it is the next step in the delivery of the PTS that aims to deliver transport services that are safe, effective and fit for purpose.
22. The decision to move to a DPS is necessary because the current procurement framework for public transport does not allow for flexibility once the providers are set which has led to less competition between providers and higher costs to the council. The DPS will enable flexibility whilst allowing for quicker tendering times than can be used under separate individual procurement tenders.

Council Priorities

23. The PTS will meet the Council's priority of enhancing the local community by supporting residents to access the employment and services they need to live well through a range of passenger transport services.
24. The PTS will endeavour to promote health and wellbeing and protect the vulnerable by aiming to ensure that residents at risk of isolation and deprivation are able to access the transport they need
25. The PTS will promote better infrastructure and value for money by using smarter procurement methods to deliver transport services that are safe, effective and fit for purpose and provide a framework for decision making processes in relation to all PTS services.

Legal Implications

26. The implementation of the DPS will be undertaken in line with the Council's Procurement Procedure Rules Policy and all other relevant legislation. The consultation on the Public Transport proposals will be conducted in line with Council policy and procedure.
27. There is no direct impact on Legal Services.

Financial Implications

28. The budgets for 2015/16 are set out below.

Subsidised Bus Services	£1,265,840
Concessionary Fares	£2,382,450
Community Transport	£333,000
Total	£3,981,290

The aim of the Passenger Transport Strategy (PTS) is to make most efficient use of the budgets available, whilst delivering transport services that are safe, effective and fit for purpose and provide a framework for decision making processes that is transparent for stakeholders, in relation to all PTS services.

29. Efficiencies that could be achieved from the adoption of a Passenger Transport Strategy are set out in the Medium Term Financial Plan.

Equalities Implications

30. Central Bedfordshire Council has a statutory duty to promote equality of opportunity, eliminate unlawful discrimination, harassment and victimisation and foster good relations in respect of the nine protected characteristics; age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.
31. An Equality Impact Assessment for the PTS is being undertaken. The outcomes of the public consultation will allow us to ensure that adverse impacts in respect of the nine protected characteristics within the PTS are identified and mitigated as far as possible and the DPS requires the completion of a Technical Questionnaire to ensure equality of opportunity is promoted.

Next Steps

32. A twelve week public consultation will commence in April 2016 on the Public Transport proposals. The outcomes of the consultation will then be used to inform the PTS which will return to Council for adoption in November 2016.
33. The Business Support Team within Passenger Transport will complete work on the required documentation for the DPS ready for use via the Council In-tend system. A Prior Interest Notice is due to be drawn up to establish interest from the target market. An experienced procurement lead from Cambridge County Council has been brought in to consult and ensure the process is set up correctly. The DPS will be operational by November in line with the adoption of the PTS.

Date	Event
5 April 2016	Executive: Approve Consultation Docs
19 April-12 July 2016	Public Consultation
11 October 2016	Executive: Approve Final PTS
17 November 2016	Full Council: Adoption of PTS
18 November 2016 onwards	Implement PTS including new DPS

Appendices

The following Appendix is attached:
Appendix A: Public Transport Proposals

Background Papers

None