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**Meeting:** Executive  
**Date:** 8 December 2009  
**Subject:** Luton Dunstable Busway  
**Report of:** Cllr Tom Nicols, Portfolio Holder for Sustainable Development  
**Summary:** The report seeks Executive approval to progress the DfT funding application and on a successful funding offer support Luton Borough Council in awarding a contract for the construction of the Luton Dunstable Busway.

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**Advising Officer:** Gary Alderson, Director of Sustainable Communities  
**Contact Officer:** Dave Buck, Senior Strategic Infrastructure Officer  
**Public/Exempt:** Main report public, Appendix D part 23 to 26 exempt  
**Wards Affected:** Houghton Regis, Northfields, Dunstable Downs, Icknield, Watling, South East Bedfordshire  
**Function of:** Executive  
**Key Decision** Yes  
**Reason for urgency/ exemption from call-in (if appropriate)** N/A

## **CORPORATE IMPLICATIONS**

### **Council Priorities:**

The Luton Dunstable Busway contributes to all five of the Councils priorities:

- It will support the delivery of managed growth by providing a service which is forecast to reduce local vehicle trips significantly.
- It will improve links to educational facilities, including to Dunstable college which will be served by the busway.
- Local perception of crime is an issue that the Busway will also contribute to with increased CCTV and 'help points' at high profile bus stops and potentially the IT infrastructure to boost local communications.
- The provision of a high quality bus service and of a cycleway will contribute to the promotion of healthier lifestyles.
- Access for elderly people will be improved through the provision of a regular bus service including access on to the bus for those with mobility difficulties.

**Financial:**

Details of the financial implications are set out in Appendix D. The two Councils will be required to contribute approximately 10% of the scheme cost, made up from direct Council payments and, where available, from local contributions including under section 106 agreements. The contribution is £6,843k (see Appendix D par 22c) of which £4,460k has been secured (Appendix D par 26) leaving £2,283k to be found. Work is continuing to secure this with expectations of a significant contribution as outlined in Appendix D par 26. The contribution may be phased over the duration of the scheme with initial payments of £4m proposed in 2010/11 (as detailed below).

The expected capital costs of the scheme are:

	To March 2010	2010/11	2011/12	2012/13	2013/14	2014/15
Expenditure	£9m	£46m	£22m	£0.5m	£0.18m	£1.4m
Funded by						
DFT Grant	£9m	£41m	£22m	£0.5m	£0.18m	£1.4m
Luton BC		£4m				
CBC						

These costs are subject to variation in accordance with the sharing formula outlined in appendix D. Cost overruns and change of user specification would be the two main risk areas for a cost overrun.

**Legal:**

Luton Borough Council has all legal powers to construct the scheme under the Luton Dunstable Translink Order 2006, an order made under the Transport and Works Act (TWA) 1992.

A legal agreement between the two authorities was the subject of the report to shadow Executive of 17 March 2009. This agreement provides for joint working, cost sharing and joint ownership of the Busway.

**Risk Management:**

The transport impact of planned development in the southern Central Bedfordshire area will be substantial. Without significant measures to improve the transport network, it will not be possible for the authority to manage this growth sustainably.

Failure to deliver the busway is likely to result in damage to the reputation of the authority with government and may affect future funding decisions for transport.

As a result of previous decisions by the old County Council, ownership and operation of the scheme rests with Luton Borough Council. Failure to agree to go forward with the scheme, will pass all control back to the Borough, giving Central Bedfordshire no say in how it will be developed in the future.

The risk of increased cost to CBC is mitigated by a number of actions including the contractor sharing agreement, effective cost and change control measures and the ability to 'flex' scheme specification.

**Staffing (including Trades Unions):**

None

**Equalities/Human Rights:**

The Busway will offer a step change in the existing public transport infrastructure in the conurbation, this will include greatly improved facilities for people with disabilities, including wheelchair access on to the buses and help points to assist the visually impaired and those requiring extra assistance and information.

**Community Safety:**

Provision of CCTV, 'Help Point' and local lighting at the high profile bus stops will assist in tackling anti-social behaviour issues.

**Sustainability:**

Sustainability is an overarching consideration in the preparation of the Core Strategy. Public transport plays a significant part of this to address the proposed growth. The Busway will set high public transport standards for comfort, reliability and flexible ticketing required to help encourage a modal shift towards public transport.

**Summary of Overview and Scrutiny Comments:**

- RECOMMENDED to the Executive that the Sustainable Communities Overview and Scrutiny Committee supports the recommendations as detailed in the Executive report subject to the following comment regarding recommendation 1(a):-
- "that whilst the Sustainable Communities Overview and Scrutiny Committee recommends that the Council's support on the Luton and Dunstable Guided Busway be confirmed to Luton Borough Council and the Department for Transport there were serious concerns that plans were not fully developed and it seemed unlikely, based on current information, that congestion in Dunstable and the centre of Luton would be reduced. The Committee wished to see a full report, which would suggest measures to mitigate congestion prior to the Executive making it's final decision.

**RECOMMENDATION(S):****That Executive**

- (a) **confirm the Council's support on the Luton Dunstable Busway to Luton Borough Council and the Department for Transport;**
- (b) **agree to proceed with award of contract for the Busway in accordance with the legal agreement between Central Bedfordshire Council and Luton Borough Council as approved at the Shadow Executive on 17<sup>th</sup> March 2009 subject to the Department of Transport's Full Approval / funding offer; and**

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| <p>(c) <b>delegate to the Director of Sustainable Communities, in consultation with the Director of Corporate Resources authority to deliver the scheme, subject to 6 monthly bulletin reporting.</b></p> <p>(d) <b>make future revenue budget allowances for maintenance of the busway currently estimated at £50k for financial year 2012/13 increasing annually to £250kpa by year 3.</b></p> |
| <p><i>Reason for Recommendation(s):</i> To enable the authority to input into the delivery of the Guided busway scheme.</p>  |

### **Purpose for report**

1. Members will recall that at Shadow Executive on 17 March 2009 it was agreed that the award of contract decision for the Luton Dunstable Busway is reserved to the Executive.
2. This report therefore outlines recent progress in relation to the Busway and seeks Members approval to support taking the application forward to the Department for Transport (DfT) for Full Approval and, on a successful application, to agree to proceed with Luton Borough Council to award the contract.

### **Background**

3. The southern half of Central Bedfordshire is included in the Milton Keynes/South Midlands Sub-Region, which is one of four national growth areas identified by Government. As a result, some 42,000 new homes are planned for the area by 2031, resulting in an increase in population for the council of some 30%.
4. An increase on such a scale in the council area will have a very significant impact on what is already a stretched transport network. Forecasts indicate that, without the introduction of significant measures both to encourage sustainable transport and to re-route existing traffic, traffic in the Dunstable – Houghton Regis area will increase by some 20%. This in turn will lead to an increase in congestion and in journey times and a loss of journey reliability. Combined with an increase in air pollution and in carbon emissions, the effect will be to see an overall reduction in the quality of life of Central Bedfordshire residents.
5. To combat this and to ensure that development can be taken forward in a sustainable fashion, a number of transport initiatives are being developed. These include:
  - The Luton Dunstable Guided busway
  - The A5 to M1 road link
  - The Luton northern bypass
  - Woodside Connection
  - Measures to promote walking and cycling in the area.

These measures form part of the core strategy submission for the Luton and South Bedfordshire Local Development Framework. All are essential if growth is to take place sustainably.

6. The Busway's contribution to sustainable growth is forecast to be as follows:
  - Over 3.5 million passengers a year will use the busway by 2021: around 24% of the total bus market
  - bus usage as a whole is forecast to increase by some 5% because of the busway. The majority of this increase will be as a result of people changing modes, switching from car use.
  - Local vehicle trips in the area will reduce by 10% compared to today's levels.
7. A major part of the scheme involved an application made under the Transport and Works Act. Members will recall that the County Council did not confirm its support for the Order in February 2004 but later agreed to support the scheme (see Appendix B for further detail). This resulted in Luton Borough Council becoming the lead authority with powers to construct as well as being sole beneficiary of DfT funding.
8. The busway was considered by the Shadow Executive on 17<sup>th</sup> March 2009. The following was agreed:
  - Shadow Executive agrees to take over from Bedfordshire County Council, as an equal partner with Luton Borough Council, on the Luton Dunstable Busway and that it enters into a legal agreement, as set out in Appendix A to the report.....”
  - Shadow Executive authorises the Director of Sustainable Communities to write to the Department of Transport confirming that the shadow authority fully understands the consequences of Full Approval for the new authority and that it will be ready to take over the scheme and the costs from Bedfordshire County Council.
  - that the award of contract decision is reserved to the Executive.
9. Following DfT (and Member) approval the scheme has an allocated profile funding spend of £16m for 2009/10. The level of claim on this needs to be maximised (for 2009/10) to reduce any potential impact from a future regional spending shortfall.

### **Details of the scheme**

10. The Busway will include 7.4km of guided busway, 2.4km of unguided busway and 3.6km on highway (including sections of bus lanes) running between Houghton Regis and London Luton Airport. Cycle lanes will be included along key lengths including the guided section between Portland Ride in Houghton Regis and the M1 bridge then extending on into Luton. High profile stops will be on the main Busway and at key locations in the town centres and Luton Dunstable Hospital. Buses will leave and join the system at key access points providing the flexibility to adapt to changing demands.

## **Progress to date**

11. A legal agreement between the authorities provides for equal ownership of the scheme including the existing British Rail Property Board land along the old rail line (within each authority's area). Tenders for the scheme have been received and a preferred bidder identified. An application to DfT for a funding offer is underway and Members are asked to agree to proceed with Luton Borough Council to award the contract.
12. The employer is required to respond to contractual events and requests within preset deadlines, failure to respond may impact on the works programme with subsequent cost implications. Delegated authority to deliver the scheme to the Director of Sustainable Communities, in consultation with the Director of Corporate Resources will ensure these contractual deadlines can be met.

## **Conclusion**

13. When delivered, the Luton Dunstable Busway will make a significant contribution to sustainable transport within the south Central Bedfordshire growth area.
14. Work has now been completed in drawing up the legal agreement agreed by the Shadow Executive in March 2009 and in identifying a preferred tenderer for the scheme.
15. In order to ensure that Central Bedfordshire has a say in how the scheme is delivered, Executive now needs to indicate its support for the scheme to Luton Borough Council and to the Department for Transport.

## **Appendices:**

Appendix A – Progress of the Busway;

Appendix B – Extract of Council report of BCC withdraw and subsequent support for the scheme;

Appendix C – The case for the Busway;

Appendix D – Tender Submissions, costs and risks - Paragraphs 23 to 26 exempt

## **Background Papers:** (open to public inspection)

Major Scheme Business Case

## **Location of papers:**

Central Bedfordshire Offices, Bedford