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WOKINGHAM
BOROUGH COUNCIL

A Meeting of an **INDIVIDUAL EXECUTIVE MEMBER DECISION** will be held in WSP Room, 2nd Floor - Civic Offices on **TUESDAY 10 APRIL 2018** AT **9.30 AM**

Manjeet Gill
Interim Chief Executive
Published on 29 March 2018

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WOKINGHAM
BOROUGH COUNCIL

Our Vision
A great place to live, an even better place to do business
Our Priorities
Improve educational attainment and focus on every child achieving their potential
Invest in regenerating towns and villages, support social and economic prosperity, whilst encouraging business growth
Ensure strong sustainable communities that are vibrant and supported by well designed development
Tackle traffic congestion in specific areas of the Borough
Improve the customer experience when accessing Council services
The Underpinning Principles
Offer excellent value for your Council Tax
Provide affordable homes
Look after the vulnerable
Improve health, wellbeing and quality of life
Maintain and improve the waste collection, recycling and fuel efficiency
Deliver quality in all that we do

For consideration by

Keith Baker, Executive Member for Highways and Transport

Officers Present
Mark Allen, Transport Procurement and Operations Manager,
Callum Wernham, Democratic and Electoral Services Specialist

IMD NO.	WARD	SUBJECT	
IMD 2018/19	None Specific	**SUPPORTED BUS SERVICES (SERVICE 7)**	**5 - 8**

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INDIVIDUAL EXECUTIVE MEMBER DECISION
REFERENCE IMD: 2018/19

TITLE	**Supported Bus Services (Service 7)** **Riseley to Reading, Evening and Sunday Service**
FOR CONSIDERATION BY	**Cllr Keith Baker, Executive Member for Highways and Transport**
ON	**10 April 2018**
TIME	**9.30AM**
WARD	**None Specific**
STRATEGIC DIRECTOR	**Josie Wragg – Interim Director - Environment**

OUTCOME / BENEFITS TO THE COMMUNITY

Best Practice guidance (Buses in Urban Developments, 2017) highlights the importance of 7-day a week services which include early morning and late evening journeys as a means of attracting a high mode share of trips. The level of provision, provided by this contract, is consistent with the provision available in nearby Shinfield and Arborfield Garrison, and is key to ensure existing residents and new residents in Three Mile Cross, Spencers Wood, Swallowfield and Riseley are encouraged to use bus services as an alternative to travelling by car.

RECOMMENDATION

It is recommended that Option 2 (proceed with a new three year de-minimis contract, awarding to Reading Buses) is pursued.

SUMMARY OF REPORT

A key bus service (Service 7) financially supported by the Council is currently at the end of its de-minimis contract terms with Reading Buses. The current contract has been held by Reading Buses for seven years.

De-minimis contracts are low value contracts which do not require open tendering. Three local bus operators were contacted directly to provide prices for the continuation of the service. This briefing paper provided background on the service and proposed way forward, namely to proceed with a new three year de-minimis contract.

Background

Service 7 serves Shinfield South and Swallowfield wards including Three Mile Cross, Swallowfield and Riseley. The annual cost to the Council is £22,500/year (a fixed annual price set in 2010) and the annual usage in 2017 was 10,000 passengers, calculated from data provided for the month of September 2017.

The service supplements the longer distance commercially operated variant of Service 7. Currently Service 7 provides a 7.35pm departure from Reading to Three Mile Cross, Spencers Wood, Swallowfield and Riseley Mondays to Saturdays, plus additional journeys at 9.45pm and 10.45pm on Friday and Saturday evenings. A Sunday service comprises of four return journeys departing Reading between the hours of 10am and 6pm. All of the supported journeys are journeys, which otherwise would not be provided commercially. The level of provision is consistent with the provision available in nearby Shinfield and Arborfield Garrison. Best Practice guidance (Buses in Urban Developments, 2017) highlights the importance of 7-day a week services which include early morning and late evening journeys as a means of attracting a high mode share of trips.

On Service 7, the supported 7.35pm departure is timed to allow residents returning from London to catch the 5.50pm departure from London Waterloo or the 6.35pm departure from London Paddington. Without this departure, the bus service would finish too early to offer a viable alternative to travelling by car.

The Sunday service not only provides for leisure and shopping trips, but also allows the opportunity for young people in the area to gain weekend employment in Reading.

Availability of Other Funding

There are a number of development sites planned along the Service 7 route, including land west of Trowe's Lane in Swallowfield. The site west of Trowe's Lane is committed to provide financial support for additional journeys on Service 7, but as this site has only just been granted outline planning permission it will be some time before the first units on this site will be occupied and contributions are paid.

Service 7 will continue to require Council subsidy to continue in the short term.

In the long term as developments such as the site west of Trowe's Lane are developed, it is anticipated that the subsidy for the evening and Sunday service can be reduced and eventually removed.

Bids Received

Three local bus operators were contacted directly to provide prices for the continuation of the service. The new contract would be for three years, expected to commence in April 2018. The lowest bid received was from Reading Buses (£32,986/year).

Key factors for the higher bids, compared to 2010, include inflation of bus operator running cost over the eight year period and also the requirement for bus operators to provide higher standard vehicles compared to 2010, including meeting Disability Discrimination Act (DDA) and Environmental Standards.

Future of the longer distance daytime service

Reading Buses has informed the Council that the longer distance daytime Service 7 is in the process of being transferred from Stagecoach to Reading Buses. The Council could expect the supported journeys to attract more passengers as wider commercial benefits would then be applied to the supported journeys. For example, it would be beneficial to both the commercial

and supported journeys if the route were promoted as a 7-day a week service which operated with early morning and late evening journeys, providing passengers with more choice of when they travel. Residents would also benefit from period tickets, which would be accepted across a wider range of journeys and time periods, providing added value to the passenger, as well as the ability for tickets to be valid for travel across the wider Reading area.

Analysis of Issues

Two options have been considered for moving forward, these are:

- Option 1: to withdraw support and not proceed with a new de-minimis contract
- Option 2: to proceed with a new three year de-minimis contract, awarding to Reading Buses

<u>Option 1: to withdraw support and not proceed with a new de-minimis contract</u>
Issues

- A saving of £22,500 will be made against the budget.
- Around 10,000 journeys will no longer be possible by bus. The impact is likely to be even greater as many will choose not to use bus between Riseley and Reading if an evening service is no longer available.

<u>Option 2: to proceed with a new three year de-minimis contract, awarding to Reading Buses</u>
Issues

- Contracts will commit the authority to continuing to fund £32,986 per year.
- Bus will remain an attractive option for those that live between Riseley and Reading and match the level of evening and Sunday provision that is available in the nearby Shinfield and Arborfield areas.
- Awarding a contract to Reading Buses will mean greater opportunities for cross benefits between the supported and the commercial journeys on the service, enhancing the viability of both parts of the service.

<u>Recommendation</u>
It is recommended that Option 2 (proceed with a new three year de-minimis contract, awarding to Reading Buses) is pursued.

FINANCIAL IMPLICATIONS OF THE RECOMMENDATION

	How much will it Cost/ (Save)	Is there sufficient funding – if not quantify the Shortfall	Revenue or Capital?
Current Financial Year (Year 1)	£32,986		
Next Financial Year (Year 2)	£32,986		
Following Financial Year (Year 3)	£32,986		

Other financial information relevant to the Recommendation/Decision
N/A

Cross-Council Implications
None

SUMMARY OF CONSULTATION RESPONSES	
Strategic Director - Resources	None
Monitoring Officer	None
Leader of the Council	None

List of Background Papers
N/A

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