

<b>TITLE</b>	<b>Bus Service 12 (Woodley and Earley)</b>
<b>FOR CONSIDERATION BY</b>	The Executive on 25 January 2018
<b>WARD</b>	Bulmershe and Whitegates, Coronation, Loddon, Maiden Erlegh, South Lake
<b>DIRECTOR</b>	Josie Wragg, Interim Director of Environment
<b>LEAD MEMBER</b>	Chris Bowring, Executive Member for Highways and Transport

## **OUTCOME / BENEFITS TO THE COMMUNITY**

To continue a cost effective transport service which meets the most critical social needs, identified by local residents, within the local communities of Woodley and Earley. The new replacement service would restore a peak time operation for commuters to work and for students to access educational establishments.

## **RECOMMENDATION**

That the Executive:

- 1) approves option 3 presented within this report to be taken forward to allow the tender process to commence;
- 2) agree in principle, the associated budget growth required for the option which the Executive selects to be taken forward for the tender process.

## **SUMMARY OF REPORT**

This report addresses the options for the retendering of the 19a&c bus services which operated between Woodley, Earley and Central Reading.

The contract for the provision of the subsidised elements of the 19a&c bus services in Woodley and Earley came to natural end in May 2017 and the contract could not be extended further. At this time Reading Buses reviewed the subsidised and peak services and adjusted them to meet its commercial needs however this resulted in reducing the service delivery.

There was an extended operating period of the 19 a/c for three months to September 2017. In July 2017, the Councils Executive agreed a revised service (known as service 12) for the interim period between September 2017 and September 2018. This revised service replaced the 19a&c bus service and the 983 service continued unchanged.

The current service does not generate enough revenue for it to be a commercially viable route. Local data indicates that the greatest use of the service is between Reading and the Royal Berkshire Hospital, where 63% of the revenue is taken and offsets the cost of service 12. Residents in Woodley make greater use of the service than in Earley.

The Council has the responsibility to provide socially necessary transport services that have not been provided commercially to ensure communities are not disadvantaged by

the lack of transport in their areas. 46% of trips on the 12 service are made by concessionary pass holders. Evidence demonstrates that the service is valuable to serve a relatively deprived areas of the borough providing transport to the Royal Berkshire Hospital, University of Reading and Reading Town Centre. In order to comply with its responsibility, the Council is responsible to ensure that this community service continues in the future.

The Council has undertaken consultation about the service. There have been consultations and joints meetings between Earley Town Council and Woodley Town Council managed through their Planning Committees. There have also been meetings and discussions with the Maiden Erlegh Residents Association and the North Earley Residents Association. In addition a public meeting for Earley and Woodley residents was held in Woodley to discuss this where over 100 people attended.

The consensus is that at present, the current service does not meet the needs of the community primarily due to it being combined with school transport provision resulting in the service being diverted in the morning peak and in the late afternoon to deliver a school transport route (983). Options have been considered for the future of the service and these are set out in Appendix 1 of the report. Option 3 has been identified as the most cost effective option that meet the community requirements identified through the consultation exercise. Option 3 would restore the peak service for commuters and for access to schools. Option 3 would also provide a service throughout the day by allowing the commissioning of a separate and dedicated school transport service (983) to be provided.

## **Introduction**

The Council has a duty under the 1985 Transport Act to secure Public Transport Services for its community that have not been provided commercially. These services normally fall into the categories covering “Social Exclusion” or “Socially Necessary” services to ensure communities are also not disadvantaged by the lack of transport in their areas.

To fulfil the Council’s duty, there are three types of bus services which the Council currently supports:

- Town and corridor services, which provide a regular service for access to school, medical facilities, shopping and recreation;
- Shopper services which operate a limited number of journeys; and
- School services, which include children with a statutory entitlement to school transport.

## **Social Need**

The current temporary service 12 has been designed to provide a “town service” for access to facilities for those parts of Woodley and Earley where there are no commercial bus services operating. Service 983 provides access to Bulmershe School and Waingels College for residents living in the Lower Earley area.

The areas served by the service are classified as deprived. The indices of multiple deprivation show that the neighbourhood which covers Drovers Way from Crockhamwell Road, south to Eastwood Road and east as far as Loddon Bridge Road is amongst the 50% most deprived in the country and is the most deprived across the Woodley and Earley area. The neighbourhood surrounding Howth Drive, south of Woodlands Avenue, and the neighbourhood along Culver Lane north and east also have high levels of deprivation. There are a number of factors affecting deprivation including limited access to education, skills and training, and barriers to housing and services. A map showing the level of deprivation across the Woodley and Earley areas is included in Annex C.

The following areas have been identified as key areas for improving transport provision to ensure they are not disadvantaged by transport in their areas:

- Drovers Way
- Culver Lane
- The southern sections of Mill Lane / Meadow Road

It should also be noted that should service 12 not exist the walking distance to alternative bus stops for residents living in the following areas would increase significantly for:

- The area surrounding the Lakeside bus stops, Silverdale Road
- The area surrounding Austin Road, Vauxhall Drive

## Current Temporary Service

The current route of the temporary service 12 is shown in Annex A. The service operates roughly hourly at non-peak times between Monday and Saturday, with some additional evening peak journeys.

An interim contract for service 12 also includes provision for a school bus service, known as 983 between Lower Earley and Bulmershe School, which operates an outward journey in the morning peak and a return journey in the mid-afternoon. No service 12 journeys are able to operate at these times.

The current service will not be able to generate enough revenue for it to be considered as a commercially viable route. Local data indicates that the greatest use of the service is between Reading and the Royal Berkshire Hospital, where 63% of the revenue is taken and offsets the majority of the current cost of service 12. It has been identified that residents in Woodley make greater use of the service than in Earley.

## Concessionary Travel

In October 2017 there were 5,272 concessionary passes registered to residents of the Woodley and Earley areas. Maps 1a and 1b in Annex B show the distribution of concessionary pass holders by postcode area in Woodley and Earley respectively. The dark red areas highlight the postcode areas with the greatest numbers of concessionary passes registered to them. The most notable areas are the residential areas surrounding Palmerstone Road and those surrounding Meadow Road and Mill Lane.

In October 2017 10,379 trips were made on service 12, therefore approximately 124,500 trips are estimated annually. Overall 46% of passenger trips on service 12 were made by concessionary passes holders. Based on October 2017 data, 4,700 trips are estimated annually on the 983 service.

### Proportion of trips, by stop, made by Concessionary Pass Holders living in Woodley and Earley.

Boarding Stop	All Services		Service 12	
	By Pass Holders in:		By Pass Holders in:	
	Woodley	Earley	Woodley	Earley
Reading Town Centre	24.2%	30%	12.4%	21.9%
Royal Berkshire Hospital	1.3%	1.4%	6.4%	14.2%
Chequers	12.1%	2.7%	22.4%	14.5%
Silverdale Road Shops	0%	0.6%	0.2%	8.2%
Woodley Piazza	2.0%	0%	8.9%	2.1%

Source: Concessionary Data, October 2017

## Consultation

The Borough Council has carried out consultation with Woodley and Earley Town Councils and run a resident's consultation over a four week period in October 2017. In addition representations were received from others, including residents' associations.

The key themes which emerged from the consultations were:

- There is a desire for morning and afternoon/evening peak travel
- Residents would like a reliable service which leaves bus stops at the same time each hour
- There is no need for a link between Woodley and Earley towns
- Local shopping areas should be served, as should local GP surgeries
- The frequency of any service should be at least hourly
- Access to the Royal Berkshire Hospital is required
- Access to the University of Reading is required
- Access to Reading Town Centre is required.

It was also noted that the idea of local bus stops acting as interchange points was put forward by Woodley Town Council. However, it was also noted that many consultees would favour direct links to facilities and amenities, as per a more traditional style bus service.

### **Options for future provisions.**

The consultation about the future of the service revealed that travel during the morning and afternoon peaks is highly desirable; however insufficient revenue is likely to be generated to cover the cost of the provision commercially. The social need for peak travel is mainly limited to trips for health and employment purposes plus statutory trips for education. However, it should be noted that there is a wider social benefit of providing peak hour trips, which includes their role in reducing congestion on local roads. Reinstating a morning peak journey is forecast to attract around 15,250 trips per year, the majority of which would be for the purpose of access to employment and education. As AM peak services are prior to 9.00 am and fall outside of this Councils concessionary fares scheme, all income would be from fare-payers which would go towards offsetting the cost of any future service provision.

The consultation will be used to obtain the outcomes of the tender for any replacement service. The tender specification will contain the key requirements that were identified as part of the consultation and these key requirements will form the basis of the tender specification which will also request multiple options and innovative solutions.

Based on the above analysis, consideration has been given to alternative options to address the social needs of the service. Forecast costs have been associated with each option criteria. Selection of a single option is required for the purpose of writing a tender brief for operators to bid against. There will be no further opportunities to amend the option criteria once the tender process has begun.

The options to be considered are:

1. Withdraw Service 12 and the 983
2. Continue with the existing services and merge the W162 with the 983
3. Continue with the existing services with the addition of the morning peak journeys and the afternoon journeys plus merge the W162 with the 983
4. A local service which terminates at the hospital, including peak journeys plus merge the W162 with the 983
5. Two Separate Services which include peak journeys plus merge the W162 and the 983

A full breakdown of each option is included in Appendix A.

## FINANCIAL IMPLICATIONS OF THE RECOMMENDATION

***The Council faces severe financial challenges over the coming years as a result of the austerity measures implemented by the Government and subsequent reductions to public sector funding. It is estimated that Wokingham Borough Council will be required to make budget reductions in excess of £20m over the next three years and all Executive decisions should be made in this context.***

	How much will it Cost/ (Save)	Is there sufficient funding – if not quantify the Shortfall	Revenue or Capital?
Current Financial Year (Year 1)	£0	n/a	n/a
Next Financial Year (Year 2)	+£35,000 to +£175,000	Possibly save £7,000 or growth of up to £133,000	Revenue
Following Financial Year (Year 3)	£60,000 to £300,000	Possibly save £12,000 or growth of up to £228,000	Revenue

### Other financial information relevant to the Recommendation/Decision

None

### Cross-Council Implications

No

### List of Background Papers

Route Maps

Consultation Summary

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<b>Date</b> 21 <sup>st</sup> November 2017	<b>Version No.</b> 6

## Options Considered

Based on a detailed analysis of social need and the consideration of the consultation results, five alternative options have been identified for shaping a future bus service for the Woodley and Earley areas.

Just one option must be selected for taking forward to incorporate within the tender specification. There will be no further opportunities to amend the selected option once the tender process has begun. The contract will be for 5 years with an optional 3 years extension (2+1). The contract will include a clause allowing it to be terminated with 3 months' notice by either party, with no costs incurred.

It is recommended that the Executive:

- 1) Identifies one of the options presented within this Appendix to be taken forward to allow the tender process to commence.
- 2) To agree in principle, the associated budget growth required for the option which the Executive selects to be taken forward for the tender process.

### ***Option 1 – Withdraw Service 12 and the 983***

This option considers the impact of withdrawing Service 12 and the 983 service completely.

There would be no 983 school service with this option. Withdrawal of the 983 is likely to affect 4,700 trips per annum. The affected passengers will predominately be school children travelling from the Lower Earley and Earley areas to Waingels College and Bulmershe School. Students attending Bulmershe School may purchase annual passes on the Council's W162 route should there be sufficient capacity on the vehicle. There will be no alternative bus service for students travelling to Waingels College or the small proportion of adult fare paying passengers who currently use this service.

There would be no service 12 with this option. 124,500 trips will be affected, approximately 31% of which would be trips originating in Woodley or Earley. It is forecast 17,753 of the trips would be concessionary trips made from the Woodley and Earley areas.

It is forecast that a third of the concessionary passenger trips would qualify for the use of Readibus based on their age or disability. Readibus is likely to require an additional £60,000 of funding to accommodate these trips on their dial-a-ride services. There could also be an impact on social care costs, should residents not be able to access accessible transport.

For the remaining 66% of concessionaires who do not meet the Readibus membership criteria, alternative travel would be walking to an alternative bus service, travelling by private vehicle or not travelling at all.

Residents who live in the neighbourhoods surrounding Drovers Way and Culver Lane, it has been identified that the Council would have a duty to provide a basic transport provision under the 1985 Transport Act, to ensure these communities are not further disadvantaged by the lack of transport in their areas. The cost of providing a demand responsive service (e.g. community transport) for access to amenities is likely to be in the region of £120,000 per annum for a service which operates Monday to Friday, between 9am and 5pm.

Budget Growth of up to £108,000

***Option 2 – Continue with the existing services and merge the W162 with the 983***

This option provides an off-peak service only between Culver Lane, Chequers, the Hurricane Way GP Surgery, Vauxhall Drive Drovers Way, Coppice Road, Silverdale Road, the Royal Berkshire Hospital and Reading Town Centre.

The 983 school journey between Lower Earley and Bulmershe School continues to be provided with this option, but starts its route on the Shinfield Road and picks up those students with a transport entitlement. In order to try to contain costs within existing budgets, the Council could redeploy the education funding spent on the provision of the W162 (£40,000) contracted school service to reduce the 12/983 contract cost. The revenue currently received on the W162 service (WBC Contracted Schools Service) would also be transferred to the 983 service. It is forecast sufficient vehicle capacity should be available to accommodate the 4,700 trips currently made on the 983 service.

There would be **no morning peak journeys** and a gap in the afternoon timetable between 1430 and 1630 with this option. Church Road is not served with this option.

There is clear evidence from the consultation that residents in the existing Woodley and Earley areas do not favour this option. However, this option does meet the most critical social need of providing an off-peak service to the residents of the Drovers Way and Culver Lane areas. This option also provides an off-peak service to the residents of Silverdale Road and Vauxhall Drive. The estimated cost of this option is £60,000-£100,000

Budget Growth of up to £28,000 (although potential saving of up to £12,000 depending on tender submissions)

***Option 3 – Continue with the existing services with the addition of the morning peak journeys and the afternoon journeys plus merge the W162 with the 983***

This option provides an hourly service between Culver Lane, Chequers, the Hurricane Way GP Surgery, Vauxhall Drive, Drovers Way, Silverdale Road, the Royal Berkshire Hospital and Reading Town Centre. The service would operate hourly between 7am and 7pm, Monday to Saturday.

This option would retain the existing school service between Lower Earley and Bulmershe School and merge it with the W162 service (WBC Contracted Schools Service), as per Option 2.

The 983 bears little resemblance to the route served by the 12, and therefore route 12 is left with little or no service during the morning and afternoon peaks. This option allows for the 983 to be undertaken by an additional vehicle, if required.

The benefit of this option is the provision of a morning peak service and the removal of the 2 hour gap in the afternoon timetable of service 12. It is forecast that the morning peak service could carry 15,250 trips. The majority of these trips are likely to be for the purpose of education in the Reading area, with a small proportion for the purpose of employment and health. The wider benefit of the provision of morning and afternoon trips is their role in reducing congestion on local roads at peak times. On this basis, this option meets more than just the most critical social needs of the local communities.

There would be **no requirement** to provide a link between Woodley and Earley; however the most cost effective routing is likely to mean that something similar to the existing routing will result. On this basis, it is very likely that this option would not reduce the overall journey time from the Culver Lane area to Woodley nor is it likely to re-establish a link along Church Road.

The estimated cost for this option would be £100,000 – £150,000

Budget Growth of: £28,000 to £78,000

***Option 4 – A local service which terminates at the hospital, including peak journeys plus merge the W162 with the 983***

This option would retain the existing school service between Lower Earley and Bulmershe School and merge it with the W162 service (WBC Contracted Schools Service), as per Option 2.

This option would require an hourly service between 7am and 7pm which serves the residential roads of Culver Lane, Eastcourt Avenue and Church Road in North Earley and links these with Chequers, the Hurricane Way GP Surgery and the Royal Berkshire Hospital.

This option would require an hourly service between 7am and 7pm which links the residential roads of Vauxhall Drive and Drovers Way and links them with Chequers, the Hurricane Way GP Surgery and the Royal Berkshire Hospital.

In Earley this option would require an hourly between 7am and 7pm to link Silverdale Road with the Royal Berkshire Hospital.

It is assumed that this service would be operated with smaller vehicles, similar to that shown in Annex D. Smaller vehicles have a 21 seat capacity.

Current passenger numbers on the 983 exceed 21 on busy days. This option allows for the 983 to be undertaken by an additional full size bus.

There would be **no requirement** to provide a link between Woodley and Earley. There would be **no direct link to Reading Town Centre**, residents would either have to find an alternative local bus stop to catch a direct bus to Reading Town Centre from or change buses at the Royal Berkshire Hospital.

Anyone who did not hold a concessionary pass may have to purchase a second bus ticket for onward travel from the hospital or their choice of interchange stop.

The estimated cost of this option would be around £200,000 – £250,000

Note 1: a variation to this option has been considered with a peak service being provided with larger buses. It is expected that an additional £250,000 - £300,000 would be required to provide peak services.

Budget Growth of: £128,000 to £178,000

***Option 5 – Two Separate Services which include peak journeys plus merge the W162 and the 983***

This option is expected to make use of three vehicles and is therefore the most costly of the four options.

This option would provide an hourly service between 7am and 7pm for Woodley residents connecting Drovers Way, Coppice Road, Culver Lane, Church Road and Vauxhall Drive with Chequers, the Royal Berkshire Hospital and Reading Town Centre.

In Earley this option would allow for an hourly service between 7am and 7pm which connects Silverdale Road with the Brookside GP Surgery, Asda, the Royal Berkshire Hospital and Reading Town Centre.

This option would retain the existing school service between Lower Earley and Bulmershe School and merge it with the W162 service (WBC Contracted Schools Service), as per Option 2.

The benefit of this option is the provision of a morning peak service and the removal of the 2 hour gap in the afternoon timetable of service 12. It is forecast that the morning peak service could carry 15,250 trips. The wider benefit of the provision of morning and afternoon trips is their role in reducing congestion on local roads at peak times. This option would also reduce the travel time to Reading Town Centre from Woodley, whilst retaining the current journey times from Earley, through the provision of two separate routes. A link to Asda for Earley residents would also be formed.

On this basis, this option meets more than just the most critical social needs of the local communities.

The estimated cost of this option is expected to be in the region of £250,000 - £300,000.

Note 2: a sixth option was considered which was to provide two separate routes terminating at the hospital. The additional journey time required for the two separate routes would mean more than two vehicles would be required, however the revenue between Reading Town and the hospital would be lost, resulting in a higher estimated cost than Option 5, therefore it was discounted.

Note 3: To reinstate the previous 19a/c option is likely to cost around £150,000 - £200,000, assuming that the W162 and 983 are merged.

Budget Growth of: £178,000 to £228,000

## Options Summary

The table below shows the four options presented above and the impact they will have for residents in the Woodley and Lower Earley areas:

### Summary Table

<b>Supported Service Changes</b>	<b>Opt. 1</b>	<b>Opt. 2 (as is)</b>	<b>Opt. 3</b>	<b>Opt. 4</b>	<b>Opt. 5</b>
<b>Key Roads to be Served</b>					
Serves Drovers Way	x	✓	✓	✓	✓
Serves Culver Lane	x	✓	✓	✓	✓
Serves Vauxhall Drive	x	✓	✓	✓	✓
Serves Silverdale Road	x	✓	✓	✓	✓
Church Road, Earley	x	x	x	x	✓
<b>Key areas Amenities/Links</b>					
Access between Woodley and Earley	x	✓	x	x	x
Woodley Town Centre	x	✓	✓	✓	✓
Serves Hurricane Way GP Surgery	x	✓	✓	✓	✓
Serves Brookside GP Surgery	x	x	x	x	✓
Asda	x	x	x	x	✓
Direct Access to Royal Berkshire Hospital	x	✓	✓	✓	✓
Reading Town Centre	x	✓	✓	x	✓
<b>Peak Journeys</b>					
Includes Morning Peak Journeys	x	x	✓	✓	✓
Includes Evening Peak Journeys	x	✓	✓	✓	✓
Includes afternoon journeys	x	x	✓	✓	✓
<b>School Service</b>					
Includes the 983 School Service	x	✓	✓	✓	✓
<b>Estimated Cost</b> (estimated overall subsidy)	£108k	£60k to £100k	£100 to £150k	£200 to £250k	£250 to £300k
<b>Budget Growth</b>	Up to +£36k	Up to +£28k	+£28K to £78k	£128k to £178k	£178k to £228k

**Key:** ✓ Service provided

x This is not a requirement of this option

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