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| TITLE | Local Bus Services |
| FOR CONSIDERATION BY | The Executive on Thursday, 29 September 2022 |
| WARD | None Specific; |
| LEAD OFFICER | Director, Place and Growth - Steve Moore |
| LEAD MEMBER | Executive Member for Active Travel, Transport and Highways - Paul Fishwick |

PURPOSE OF REPORT (INC STRATEGIC OUTCOMES)

Existing local bus contracts have come to their natural end. The contracts must be retendered if local bus services, which are not commercially sustainable, continue to be provided and financially supported by the Council.

Providing local bus services benefits residents as follows:

- provides access to key services and amenities,
- enables access to employment and education
- reduces social exclusion,
- provides residents with a choice in the way that they travel,
- contributes to tackling the climate change emergency and
- helps improve air quality and
- helps reduce congestion on local roads

RECOMMENDATION

That the Executive:

- 1) gives approval for officers to go out to tender for local bus services, serving Wokingham Town and the surrounding villages, to the villages which lie to the South of the M4, for additional evening and Sunday journeys to Arborfield and for services to the Woodley and Earley areas.
- 2) gives approval to delegate the award of the winning tender to the Director of Place and Growth assuming the winning tender meets the allocated budget and service specification.

EXECUTIVE SUMMARY

Local Bus Service contracts, currently operated by Thames Valley Buses and Reading Buses, have come to their natural end, and need to be retendered. The Council is also aware that the 19b bus service which operates in Lower Earley, is no longer financially viable and a replacement service will need to be procured if it is to continue. Permission is sort to go out to tender to allow for the continued provision of local bus services within the existing budget.

Any services procured for April 2023 will need to be procured within the Council's existing budget for these local bus services, which is £753,000 per annum, or just under £2.5m over a 3-year contract term once taking account of inflation. The Council will request bids from operators which are within the existing budget. The level of service requested will be the same as that operating on 5th September 2022.

The next steps are:

- October 2022 – Draft tender documents
- November 2022 – Tenders out for bidding by operators
- December 2022 – Evaluation of tender bids
- January 2023 – Award of tenders & start of mobilisation period
- February 2023 & March 2023 – Mobilisation period
- April 2023 – Start of new services

BACKGROUND

The Council's budget for contracted local bus services in and around Wokingham Town, to the villages which lie to the South of the M4, to the Woodley and Earley areas, along with Twyford, Sonning, Hurst, Charvil, Winnersh, Emmbrook, Woosehill and the Norreys Estate is £753,000. The budget will be increased as appropriately to reflect inflation over a proposed three-year contract term.

In addition to the above areas, the 19b service from Lower Earley to the Royal Berkshire Hospital and into Reading has been identified as no longer commercially viable. The 19b service is currently being operated under an emergency contract until 1st April 2023 by Reading Buses. The 19b service will need to be included within the package of routes put out for tender.

Local bus services serving the above areas facilitate over 1 million passenger trips per year between them (annualised based on February 2022 data). A package of revised services must be retendered for April 2023.

Bus operators who are registered on Lot 10 of the Council's Dynamic Purchasing System for Transport Services will be invited to bid on the tender package. Officers will evaluate all valid bids which meet the available budget and tender specification. The Executive are being asked to delegate the tender award for the winning bid to the Director of Place and Growth.

BUSINESS CASE

There are four distinct areas where bus services need to be considered. The routes which serve each of the four areas are detailed below. Operator will be asked to either submit individual bids for all the routes within each area or combine one or more areas to allow for a more efficient operation. In all cases bids will need meet the tender specification and available budget to be considered valid. Operators will be permitted to submit as many bids as they wish.

Wokingham Town and Surrounding Areas –

- 121 Norreys Estate to Wokingham Town
- 122/3 Woosehill & Emmbrook to Wokingham Town
- 124 Easthampstead Road to Wokingham Town
- 125 Wokingham Without & Crowthorne to Wokingham Town)
- 125 Wokingham Town & Crowthorne to Meadows (Saturday only)
- 127 Reading and Twyford to Maidenhead (Saturday only)
- 128 Reading, Woodley, Sonning, Charvil, Twyford, Hurst and Winnersh to Wokingham Town

Villages South of the M4 – (Shinfield, Spencerswood, Swallowfield and Riseley)

- 600 Riseley & Swallowfield to Reading / Shinfield & Spencer Wood to Reading (formally served by Leopard 8, Leopard 9 and Tiger 7)

Woodley and Earley – (Maiden Erleigh, North Earley, Lower Earley and Woodley)

- 19a/c Woodley and Maiden Erleigh to Reading
- 19b Lower Earley to Reading

Arborfield

- 3 Reading to Arborfield (evenings and Sundays only)

Details of passenger numbers, operational costs, and revenues, as of February 2022, are included in Part 2 for each of the above routes.

It should be noted that in all cases it cannot be guaranteed which operator will win any future tender or the tender prices which are likely to be achieved. There is always a risk of achieving no appropriate bids. This risk is minimised by requesting that operators consider the available budget and by providing a clear tender specification.

Next Steps

- October 2022 – Draft tender documents
- November 2022 – Tenders out for bidding by operators
- December 2022 – Evaluation of tender bids
- January 2023 – tender awards and start of mobilisation period
- February 2023 & March 2023 –mobilisation period
- April 2023 – Start of new services

Expected Outcomes

An appropriate competitive tender is undertaken in accordance with procurement regulations. Full consideration is given to the available budget and the level of service required.

FINANCIAL IMPLICATIONS OF THE RECOMMENDATION

The Council faces severe funding pressures, particularly in the face of the COVID-19 crisis. It is therefore imperative that Council resources are focused on the vulnerable and on its highest priorities.

| | 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) | Cost £0 | n/a | n/a |
| Following Financial Year (Year 3) | Cost £0 | n/a | n/a |

Other Financial Information

If decisions are not approved then there will either be a gap in service and therefore a period when no spend occurs on contracted bus services, or contracts will need to be renegotiated with current suppliers. which risks higher prices than maybe secured through a competitive tender. By reducing local bus services, there maybe negative financial impacts on other Council budgets such as Home to School Transport budgets and Adult Social Care budgets.

Stakeholder Considerations and Consultation

Further engagement will be undertaken with the relevant Town and Parish Councils.

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| Public Sector Equality Duty |
| An Equalities Assessments will need to be carried on any options which return to Executive. |

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| Climate Emergency – <i>This Council has declared a climate emergency and is committed to playing as full a role as possible – leading by example as well as by exhortation – in achieving a carbon neutral Wokingham Borough by 2030</i> |
| By approving the procurement of local bus services this reduces the risk of bus services being withdrawn and therefore the risk of more residents travelling by private car. An increase in private car trips would have a detrimental effect on the Council’s ability to achieve the objective of a carbon neutral Borough by 2030. |

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| Reasons for considering the report in Part 2 |
| Part 2 contains commercially sensitive commercial data which has been provided by local bus operators following the signing of a Non-Disclosure Agreement. |

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| List of Background Papers |
| Part 2 – Commercially Sensitive Data |

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