

<b>Subject:</b>	<b>Supported Bus Services Network – Update – Exempt Category 3</b>		
<b>Date of Meeting:</b>	<b>12 July 2012</b>		
<b>Report of:</b>	<b>Strategic Director, Place</b>		
<b>Contact Officer:</b>	<b>Name:</b>	<b>Mark Prior</b>	<b>Tel: 29-2095</b>
		<b>Mark Ireland</b>	<b>29-1240</b>
	<b>Email:</b>	<a href="mailto:mark.prior@brighton-hove.gov.uk">mark.prior@brighton-hove.gov.uk</a>	
		<a href="mailto:mark.ireland@brighton-hove.gov.uk">mark.ireland@brighton-hove.gov.uk</a>	
<b>Ward(s) affected:</b>	<b>All</b>		

## **NOT FOR PUBLICATION**

The public are likely to be excluded from the meeting during consideration of this report as it contains exempt information as defined in paragraph 3 schedule 12A to the Local Government Act 1972 (as amended).

Note: By reason of the following circumstance, the Chair of the Committee is of the opinion that this item should be considered at the meeting as a matter of urgency **as** information has come to light in regard to the proposed award of a contract in relation to the Supported Bus Services Network.

Note: The special circumstances for non-compliance with Council Procedure Rule 3, Access to Information Procedure Rule 5 and Section 100B(4) of the Local Government Act 1972 (items not considered unless the agenda is open to inspection at least five days in advance of the meeting) were that the information set out in this report was not available and/or not able to be set out at the time the agenda was dispatched.

### **1. SUMMARY AND POLICY CONTEXT:**

- 1.1 At the Policy and Resources Committee on the 14<sup>th</sup> of June 2012 Members awarded contracts for a selected number of supported bus routes in the city. The recommendations and subsequent decision in that report were based on the council needing to find savings of £226,000 per year (made up of a £113,000 budget pressure and a £113,000 contract price increase) and were therefore unable to continue to support a number of routes in the city. Since that meeting it has come to light that there was an error in the recommendation in respect of the shortened number 52 bus route which would materially affect the decision taken by the Committee. A correction of this error results in additional savings of £57,000 per year.
- 1.2 This report also recommends that modified school bus routes 74 and 96 are kept operational from September and re-tendered for 1 year whilst the review of all school transport arrangements is carried out. The resources generated by the over-achieved savings are earmarked to ensure that the winter Sunday services and the 81 Monday to Saturday evening services are maintained.

**2. RECOMMENDATIONS:**

- 2.1 That notwithstanding the decision taken on the 14th June, the Policy & Resources Committee, having considered the further information that has come to light awards the contract for bus service 52 terminating at the Marina to The Big Lemon, and not to Brighton and Hove Buses.
- 2.2 That the Policy & Resources Committee agrees that the school bus routes 74 and 96 are retendered for 1 year as set out in paragraphs 3.5 and 3.6 and are funded from one-off risk provisions in the budget.
- 2.3 That the over-achievement of savings of £60,000 per year will be earmarked to fund the winter Sunday evening services 21B and 81A and the 81 Monday to Saturday evening services.

**3. RELEVANT BACKGROUND INFORMATION/CHRONOLOGY OF KEY EVENTS:**

- 3.1 Two separate contracts were tendered for the number 52 route, one which covered the existing route and one which covered a shorter route terminating at the Marina. Only Brighton & Hove Buses tendered for the existing route at a quoted price of £231,454 per year. For the shorter route Brighton & Hove Buses quoted £167,998 per year whereas The Big Lemon quoted £110,776 per year a reduction of £57,222. An administrative error in the report to Policy & Resources in June recommended awarding the contract to Brighton & Hove Buses when it should have been awarded to The Big Lemon.
- 3.2 Members are therefore recommended to change the award of the service below to The Big Lemon.

<b>Service Number</b>	<b>Contract length</b>	<b>Provider</b>
Service 52 (M-S) terminating at Marina	4 years	The Big Lemon

- 3.3 This means that the saving of £229,000 identified in the June report increases to approximately £286,000 which is £60,000 more than the required saving of £226,000 needed to set a Public Transport budget in line with the budget framework agreed by full Council in February 2012.
- 3.4 The June report also approved the removal of funding for winter Sunday evening services (21B, 22, 24, 26, 27, 81A) which run after 6pm on Sundays between September and May. Brighton & Hove Buses have recently confirmed that they will continue to run 4 of these services (22, 24, 26, 27) on a commercial basis. The cost of funding Brighton & Hove Buses to operate the remaining services (21B and 81A) is £14,000 per year and it is proposed to use the additional savings so that these services can continue as well. It is proposed to use the remaining £46,000 to also retain the 81 Monday to Saturday evening service.
- 3.5 The report recommends providing one-off resources to ensure that modified school bus routes 74 and 96 can continue to operate from September. In order

not to prejudice the major review of school transport that will be undertaken, it is recommended that a new tendering exercise to provide these services is for 1 year only and is undertaken quickly. It is likely that the routes would be slightly modified for practical operational reasons. As the value of the services is less than the EU thresholds contract standing orders require at least 5 competitive quotes to be sought. These can be sought as a minimum from those operators who submitted PQQs for the overall tender along with any other local operators deemed appropriate.

- 3.6 The invitation to quote is in preparation and can be issued on 13 July with a return date of 27 July. This will be followed by a short evaluation and award in early August to allow a mobilisation period of nearly a month.
- 3.7 This means that the only change from current routes in September 2012/13 will be a shortened 52 and short term arrangements for the school bus routes 74 and 96.

#### **4. COMMUNITY ENGAGEMENT AND CONSULTATION**

- 4.1 The council has liaised with all commercial bus operators serving the City, in order to ensure that the supported bus network supplements and enhances the commercial network, to provide the best possible journey options for residents and visitors and to ensure the council does not duplicate or support any commercially viable routes.

#### **5. FINANCIAL & OTHER IMPLICATIONS:**

##### Financial Implications:

- 5.1 The savings from the change in the contract award for the 52 will be used to retain those winter Sunday evening services that will not be operated commercially and the 81 Monday to Saturday services. One off resources from one off risk provisions will be used to fund the new arrangements for the affected school bus routes. The cost will be determined following the tender process but is estimated to be in the region of £50,000.

*Finance Officer Consulted: Mark Ireland Date: 6th July 2012*

##### Legal Implications:

- 5.2 Details of the Council's duty to provide subsidised bus services have been outlined in earlier reports. In terms of the decision taken on the 14th June although notification letters have been sent out, formal contracts have not yet been signed. Brighton and Hove Buses have been advised of the position. As the proposed new contracts are below the threshold at which the EU Procurement Rules apply, the process for letting these contracts is governed by Contract Standing Orders. The award of the contracts will be dealt with under delegated powers following evaluation of the bids.

*Lawyer Consulted: Name: Jill Whittaker Date: 9th July 2012*

- 5.3 Equalities Implications:  
The provision of safe, accessible, affordable, and reliable public transport provides travel opportunities for all sectors of the community without access to private transport.
- 5.4 Sustainability Implications:  
The provision of council supported bus services in areas where there is no commercial bus provision provides a sustainable alternative to car use, with benefits to congestion and air quality.
- 5.5 Crime & Disorder Implications:  
It is not considered that there are any adverse implications for crime and disorder arising from the recommendations in this report.
- 5.6 Risk and Opportunity Management Implications:  
It is not considered that there are any risks to the city council associated with this report. The successful contractor(s) will be paid four-weekly in arrears for services already delivered.
- 5.7 Public Health Implications:  
It is not considered that there are any Public Health Implications from arising from the recommendations arising from this report.
- 5.8 Corporate / Citywide Implications:  
The availability of safe, accessible, affordable, reliable and frequent public transport services are key to meeting each of the city council's core objectives.

## **SUPPORTING DOCUMENTATION**

### **Appendices:**

None.

### **Documents in Members' Rooms**

None.

### **Background Documents**

None.