

DIRECTOR DECISION

Decision: Contract award for services 13(Sat), 412 and 12

Type of Decision: Officer	Key		Non-Key	X
----------------------------------	-----	--	---------	---

Portfolio Area that decision relates to:

Leader	<input type="checkbox"/>	Economy & Strategic P	
Deputy L	<input type="checkbox"/>	Finance & Performance	
Environment & Climate C	<input type="checkbox"/>	Culture, Leisure & Comms	
Transport	X	Housing & Safer Neigh.	

Background

1. At December's Executive, Members decided
2. *That the principle that maintaining the extent of the bus network is the key priority within the budgets available be agreed, and that preserving the routes takes priority over preserving bus frequency, to the extent that the council won't fund current commercial services where a reduction in frequency is an option for the operator without significant impact on communities.*

Reason: Keeping the bus network, even with a reduced frequency if necessary, gives a better basis to build back in the future. There is limited funding to deliver bus subsidy.

3. *That authority be delegated to the Director of Transport, Environment & Planning (in consultation with the Leader of the Council, Executive Member for Transport and the Director of Governance, Section 151 Officer or their delegated officers) to:*
 - a. *work with the Enhanced Bus Partnership to deliver bus support funding through the BSIP allocation;*
 - b. *reduce bus frequency requirements of subsidised bus services to maintain the network if the overall bus subsidy is greater than the budget;*
 - c. *work with all partners, Bus Operators, North Yorkshire County Council and the YNYLEP to identify ways of encouraging recruitment and driver training;*
 - d. *work with the Park and Ride Operator towards reopening Poppleton Bar Park and Ride and returning all other Park and Ride sites to pre-pandemic levels of service by Easter 2023.*

Reason: To give officers the flexibility to act at pace and ensure the services are maintained.

4. *That the removal of the bus subsidy criteria for a period of one year be approved.*

Reason: To give officers the flexibility to maintain services within the budget.

5. *That a report be brought to Executive in the summer providing an update on the Government funding situation, the current levels of bus usage, the progress of action identified in the current report and the impact on bus services.*
6. Services 13 (Saturdays), 412 and 12/12A were all withdrawn by their commercial operators during December 2022 and January 2023.
7. The council's 2022-25 BSIP allocation includes £1.53m for bus network support, of which £1.03m is permitted to be spent on supporting former commercial services until March 2025.
8. Following a short-term tender exercise, the council has been providing financial support from this BSIP allocation to keep the services operating until 31st March. The current short-term contract prices are:
 - A. £560 per day for service 13,
 - B. £194 per day for service 412,
 - C. £1002 per day for service 12.

Long Term Tenders

9. An open tender procurement exercise has been carried out in order to find longer-term replacement operators for the three services.
10. The term of any contract will be from 1/4/23 until 31/3/25 (in line with the BSIP funding period), with the option to extend for up to an additional 3 years.
11. **Service 13 (Saturdays)** – the winning bidder submitted a price of £590/day, equivalent to £31k per annum for a timetable matching that of previous commercial service. No alternative options were sought.
12. **Service 412** – this route was tendered with a basic requirement for a Mon-Fri timetable matching the level of service currently being provided. The winning bidder submitted a price of **£299/day**, equivalent to **£75k per annum**. NYCC contribute half of the funding
13. The council also specified an option for a Saturday timetable. The winning bidder submitted a price for this option of **£550/day**, equivalent to an additional **£29k per annum**.
14. The 412 crosses into North Yorkshire and West Yorkshire. NYCC have previously contributed toward the operation of the service. Officers will request appropriate contributions from NYCC and WYCA.
15. **Service 12** – this route was tendered with a basic requirement for an hourly timetable matching the level of service currently being provided. The winning bidder's price is **£984/day**, equivalent to **£297k per annum**. However, the council has specified a number of alternative options in the tender.
 - A. An hourly service at the Monks Cross end, with a half-hourly service at the Woodthorpe end (equivalent to the commercial service

12/12A operated between September 2021 and January 2023).
£1340 per day/£405k per annum total.

B. A half-hourly service across both ends of the route (equivalent to the commercial service operated prior to September 2021). **£3089 per day/£933k per annum** total. This option is not affordable within the available budget.

C. An hourly service plus one additional journey starting at Woodthorpe at 0755. This journey was previously used by a number of school pupils and several complaints were received following its withdrawal in January. **£1272 per day/£384k per annum** total.

Considerations

16. The government has provided significant financial support in response to COVID to the bus industry, also recently announcing the latest short term extension to that support to June 2023. This however is likely to only provide short term relief to the immediate pressure facing the bus network.
17. It is therefore impossible to predict if there will be further withdrawal of bus services by operators and therefore how much further funding may be required to safeguard the bus service.
18. It should be noted that any BSIP funding commitments beyond spring 2023 are conditional on sign-off by the Enhanced Partnership Operational Delivery Group in April.
19. Whilst it is unlikely that the EP would opt not to fund these services, there is a slight risk to the council in awarding contracts without a guarantee of long-term funding.
20. However, it is clearly in the public interest for the council to bear this risk in the short term, as much greater reputational damage would be done by not awarding contracts immediately and a significant impact on residents, which would lead to the above services ceasing operation from 1st April.
21. The Council can invoke the mutual 3 month break clause to enable frequency to be reduced if another part of the network need protecting.
22. **Service 13** awarding the contract for the 13 clearly falls within the delegation provided at Executive and the principle of that maintaining the extent of the bus network as the key priority.
23. **Service 412** was operated as a Monday to Friday Service in recent times as a commercial service. Awarding a contract for the service Monday to Friday clearly falls within the delegation provided at Executive and the principle of that maintaining the extent of the bus network as the key priority.
24. Awarding a contract for the 412 to run on a Saturday whilst a positive step in terms of growing the network, would be increasing frequency. Given that the direct funding from the Government to Bus Operators until

June 2023 it is impossible to know if there will be further service withdrawals. Therefore preserving the budget for such eventualities is prudent and a Saturday service is an increase in frequency and therefore not in the spirit of the delegation from Executive. However, the contract will allow for the Saturday option to be taken up at a later date if there is sufficient consensus and a willingness from other local transport authorities along the route to provide a financial contribution to its operation.

25. **Service 12** has operated on an hourly basis as part of the short term tender. This initially raised a concern for school children who either arrived half an hour early for school or half an hour late for school depending which service was boarded. In response officers ensure that the Number 4 bus which is the next nearest bus was a double decker to cope with increased capacity.
26. To award the base contract clearly falls within the delegation provided at Executive and the principle of that maintaining the extent of the bus network as the key priority.
27. Option A is the most viable of the options as it provides twice the number of journeys for residents on the south-western half of the route and providing opportunity for patronage to grow .
28. Option C adds just the 0755 journey but would cost almost as much as option A and is therefore considered poor value for money by comparison.
29. Option A would commit over half the BSIP bus service support funding just to this contract, which will limit the council's ability to deliver other bus support and network growth at the same time as uncertainty over Government Funding.
30. Therefore, none of the options are within the spirit of the delegation provided at Executive and the principle of that maintaining the extent of the bus network as the key priority therefore the base option will be recommended.
31. However, to mitigate the issues for school children conversations will be had with the winning bidder on whether some minor change to the timetable will reduce the time impact on school children.
32. The fact that there is a mutual 3 month break clause also means that if the Government funding situation is clarified discussions can be had with the operator about increasing frequency of this and other services. Members would have the opportunity to review in the summer when the update report is presented to Executive.
33. The Council needs to take into account the Public Sector Equality Duty under Section 149 of the Equality Act 2010 (to have due regard to the need to eliminate discrimination, harassment, victimisation and any other prohibited conduct; advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it and foster good relations between persons who share a relevant protected characteristic and persons who do not share it in the

exercise of a public authority's functions). An Equalities Impact Assessment has been completed considering the choice to award contracts and is attached at Annex A.

34. All in all, the base service levels will require **£810k** of the remaining £1.4m BSIP network support funding between April 2023 and March 2025, leaving around £600k for other bus network support (including the proposed city centre shuttle).

35. These decisions have no impact beyond the bus support element of the 17.3 million pounds awarded to York by Department for Transport. Is within the scope of delegations provided by Executive in December 2022

Implications: Crime & Disorder		Equalities	X	Other:	
Human Resources		Legal	X	Highways	
Financial	X	ITT		Property	

Decision Date:

Wards Affected:

All Wards	X	Fulford & Heslington		Holgate		Rural West York	
Acomb		Guildhall		Hull Road		Strensall	
Bishopthorpe		Haxby & Wigginton		Huntington & New Earswick Micklegate		Westfield	
Clifton		Heworth				Wheldrake	
Copmanthorpe		Heworth Without		Osbalwick & Derwent			
Dringhouses & Woodthorpe		Heworth Without		Rawcliffe & Clifton			

Decision:

As per the delegation made at December Executive

Provisional Contract awards are made to the winning bidder(s) (pending the completion of the mandatory 10 day standstill period without receipt of a challenge) for the longer term contract for the

Bus Service 13 (Saturday)

Bus Service (412 Monday to Friday only)

Bus Service 12 (an hourly timetable matching the level of service currently being provided)

Decision Made by: James Gilchrist, Director of Environment, Transport and Planning in consultation with Councillor Andy D'Agorne, Executive Member for Transport

Contact Details: james.gilchrist@york.gov.uk

On behalf of: Neil Ferris, Corporate Director of Economy and Place

To be implemented by: Dave Atkinson, Head of Highways and Transport

On Completion – Signed off by:

Date:

Annex A – Equalities Impact Assessment