

**Title of meeting:** Traffic and Transportation Decision Meeting

**Date of meeting:** 18<sup>th</sup> September 2020

**Subject:** Tendered Bus Services - extension of contracts

**Report by:** Tristan Samuels - Director of Regeneration

**Wards affected:** All except for Paulsgrove and Hilsea

**Key decision:** No

**Full Council decision:** No

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**1. Purpose of report**

This report outlines the reasons for extending the existing tendered bus service contracts until 31<sup>st</sup> March 2021.

**2. Recommendations**

**It is recommended that the Cabinet Member for Traffic and Transportation:**

- 2.1 Extends the current tendered bus service contracts for routes 12, 13, 14 and 22 until 31 March 2021, to coincide with when the current tender ends for the new service 25.**

**3. Background**

- 3.1 Portsmouth City Council tender bus services where bus companies do not provide a commercial service, but where there is public demand. Under the Transport Act 1985 the Council has a duty to consider the provision of supported bus services. Currently there are five tendered bus services in the city which provide public transport to parts of the city which would otherwise be unserved. This ensures that residents and visitors have accessibility to local public transport services.
- 3.2 Following the undertaking of a full procurement process, Portsmouth City Council awarded First Bus three bus contracts, which commenced in January 2019 on a one year trial basis. This was to establish demand for these services, following the withdrawal of the routes from First Bus's commercial services.
- 3.3 A report was due to be taken to taken to Traffic and Transportation Cabinet Meeting on the 26<sup>th</sup> March 2020 to extend the current contracts on all five supported bus services until 31 December 2020, unless commercial services

are amended to cover these routes. The Traffic and Transportation Cabinet Meeting was cancelled due to COVID-19, with the decision taken under SO58 by the Portsmouth City Council Chief Executive. This will allow time for a full tender process to be undertaken and the results brought back to Traffic and Transportation Cabinet Meeting for consideration.

- 3.4 Unfortunately COVID-19 occurred shortly after this which resulted in England being put into lockdown. Government guidance was issued to only use public transport if there was no alternative. Bus companies reviewed their services levels with all commercial bus services being reduced dramatically as passenger numbers fell and many services including Council tenders services suspended.
- 3.5 Table 1 below provides a summary of all contracted bus services between March and August 2020. Route maps and timetable information are outlined in Appendix A.
- 3.6 Please note that service 25 has now replaced tendered services 6 and 16, and the commercial service 15. First Bus informed Portsmouth City Council that they were terminating the commercial service 15 due to low patronage numbers. The new 25 service combines the elements of services 6, 16 and 15 and will be a trial service between 30<sup>th</sup> August 2020 until 31<sup>st</sup> March 2021.

**Table 1: summary of tendered bus service operation information**

<b>Service</b>	<b>Operational Information</b>
<b>6</b>	<b>Days of Operation:</b> Monday - Saturday <b>Frequency:</b> 30 minutes <b>Route Description:</b> The Hard - Old Portsmouth - The Strand, Southsea. This services was suspended due to COVID-19 and was officially WITHDRAWN from 29th August 2020 and the funding allocated to new service 25, as outlined below
<b>12</b>	<b>Days of Operation:</b> Monday - Saturday <b>Frequency:</b> hourly off peak <b>Route Description:</b> Tipner - North End - Chichester Road - Fratton Way
<b>13/14</b>	<b>Days of Operation:</b> Sunday/ Bank Holidays <b>Frequency:</b> 2 hourly <b>Route Description:</b> City Centre - Fratton - Milton - Baffins
<b>16</b>	<b>Days of Operation:</b> Sunday/bank holidays <b>Frequency:</b> 75 Minutes <b>Route Description:</b> The Hard - Old Portsmouth - Southsea Seafront - Eastney - Hayling Ferry. This has not operated since COVID-19 and was officially WITHDRAWN from 29th August 2020 and replaced by service 25, as outlined below
<b>22</b>	<b>Days of Operation:</b> All days of the week <b>Frequency:</b> Every 1 hour and 10 minutes <b>Route Description:</b> Highbury - Cosham - Drayton - Farlington
<b>25</b>	<b>Days of Operation:</b> All days of the week <b>Frequency:</b> Every 45/90 minutes

	<p><b>Route Description:</b> The Hard - Old Portsmouth - Southsea Shops - Devonshire Avenue - Eastney - Hayling Ferry. This service started on 30<sup>th</sup> August 2020 replacing supported services 6 and 16 and previous commercial service 15 on a trial basis until March 2021. First had advised the Council in late May 2020 that they would not reinstate service as the passenger numbers would be insufficient to make it commercial.</p>
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#### 4. Patronage and cost information

- 4.1 Due to the impact on COVID-19 any recent passenger data will be of limited value as the services have operated at reduced frequencies or not at all.
- 4.2 Nationally and locally bus patronage figures are increasing and are now figures in Portsmouth are approximately 40% of pre COVID-19 levels with 85% of services now in operation. During the lockdown period bus patronage figures were less than 20% and services were operating at 49% of usual services in Portsmouth.
- 4.3 Patronage data will be collected in October/November 2020, and will inform recommendations for tendered services moving forward.
- 4.4 The contract costs are shown in the table below:

Service	Full year cost (£)	Cost in 20/21 (£)	Notes
6	36,859	15,357	Service ended 29th August
12	43,601	43,601	
13/14	9,480	9,480	
16	8,600	3,583	Service ended 29 <sup>th</sup> August
22	42,650	42,650	
25	112,000	65,333	Service starts 30 <sup>th</sup> August

#### 5. Reasons for recommendations

- 5.1 By extending these contracts it will allow the Council to obtain a more informed position as to the number of passengers who will be traveling on these services going forward, when it is hoped that service frequencies and passenger numbers may have returned to near pre COVID-19 levels. It will also mean that when tenders are issued the prices returned should be more competitive as passenger revenues will be higher.
- 5.2 The introduction of bus service 25 for a trial period from 30 August 2020 until 31 March 2021 has replaced tendered bus services 6 and 16 which are terminated on 29<sup>th</sup> August. It is recommended that all three remaining tendered bus service contracts (services 12, 13/14 and 22) are extended

from 31<sup>st</sup> December 2020 until 31<sup>st</sup> March 2021, so all contracts termination dates are aligned.

- 5.3 The council has received COVID-19 Bus Services Support Grant (CBSSG) funding from central Government which can be used to reimburse bus operators for any loss in revenue on supported services. This is being used to meet the revenue shortfall on supported bus service 22 due to lower passenger numbers. Similar funding is available to bus operators from central government for commercial services and "deminimis" supported bus contracts such as services 6, 12, 13/14.

## **6. Integrated Impact Assessment**

To follow - an Integrated Impact Assessment has been undertaken, and this section will be updated to reflect this.

## **7. Legal implications**

- 7.1 The Council's relevant statutory powers and duties in relation to the provision of public passenger transport services and related service subsidies are contained in section 63(4), (5) and (8) of the Transport Act 1985.
- 7.2 Section 63(8) of the Transport Act 1985 imposes a specific statutory duty upon the Council in exercising the functions concerned to have regard to the transport needs of members of the public who are elderly or disabled.

## **8. Director of Finance's comments**

- 8.1 The total cost of running Tendered bus routes 12, 13, 14 and 22 and the two cancelled services to the end of 2020/21 will be £114,000. This will be funded by the Bus Support to Operators Grant (BSOG) £51,000, with the remainder being funded by the parking reserve.
- 8.2 The £65,000 cost of running service 25 will be met from the Better Deal for Buses Grant £54,800, with the remainder coming from other Bus related grant funding for 2020/21.

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Signed by:

**Appendices:**

Appendix B - Integrated Impact Assessment

**Background list of documents: Section 100D of the Local Government Act 1972**

The following documents disclose facts or matters, which have been relied upon to a material extent by the author in preparing this report:

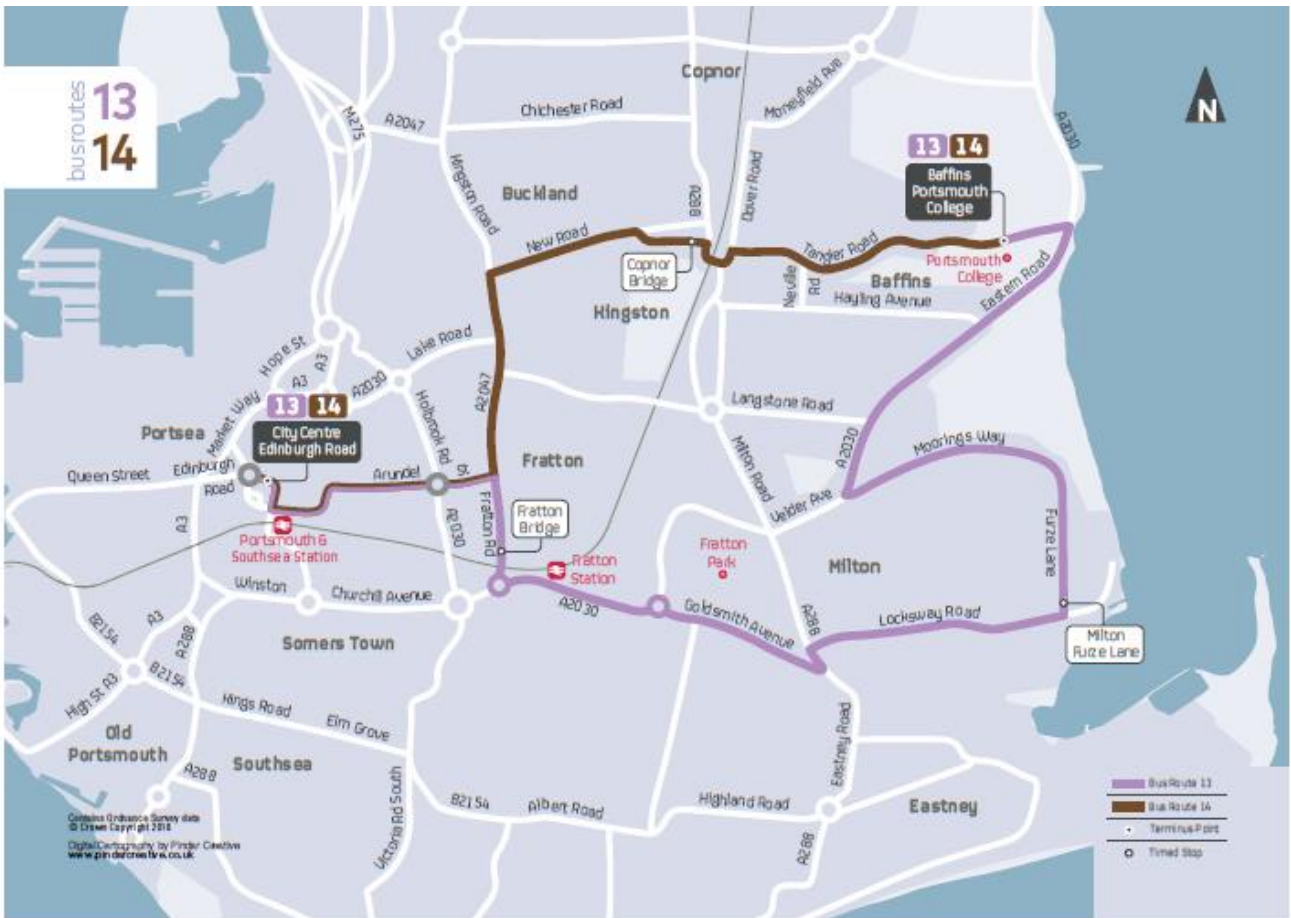
<b>Title of document</b>	<b>Location</b>
Supported Bus Services - report taken under SO58 powers	<a href="https://democracy.portsmouth.gov.uk/documents/s27292/SO58%20decisions.pdf">https://democracy.portsmouth.gov.uk/documents/s27292/SO58%20decisions.pdf</a> <a href="https://democracy.portsmouth.gov.uk/documents/s26755/Supported%20Bus%20Services">https://democracy.portsmouth.gov.uk/documents/s26755/Supported%20Bus%20Services</a>

The recommendation(s) set out above were approved/ approved as amended/ deferred/ rejected by ..... on .....

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Signed by:

## APPENDIX A - Route maps and timetables





## New Service 25

