

Title of meeting:	Cabinet Member for Transport Decision Meeting
Date of meeting:	7 July 2023
Subject:	Supported Bus Services
Report by:	Kerri Farnsworth, Interim Director of Regeneration
Report Author:	Simon Bell, Principal Public Transport Officer
Wards affected:	All wards
Key decision:	Yes
Full Council decision:	No

1. Purpose of paper:

- 1.1. The purpose of this paper is to seek approval for the award of contracts for supported bus services.

2. Recommendations:

It is recommended that the Cabinet Member for Transport:

- 2.1. **Approves the award of the contracts (that is to approve funding for the 12, 13, 14, 18, 22 and 25 bus services from 3rd September 2023 to 5th September 2026) as detailed in section 9 of this report; and**
- 2.2. **Agrees to the award of the Contracts (as set out in Exempt Appendix C) and delegates authority to the Assistant Director of Transport in consultation with Cabinet Member for Transport and Section 151 Officer, to finalise the required contracts;**
- 2.3. **Notes that the Cabinet Member for Transport and opposition spokespersons will be consulted on any proposed future changes.**

3. Background

- 3.1. The Transport Act 1985 outlines the statutory duty and powers of Portsmouth City Council, to consider the provision of bus routes where there is no commercial provision, but there is demand from residents and visitors who otherwise would be unserved by public transport.
- 3.2. Portsmouth has a relatively compact bus network, which has been facilitated by previous investment, which is planned to continue through South East Hampshire Rapid Transit (SEHRT) and the National Bus Strategy, Bus Service Improvement

Plan (BSIP), including bus priority, a comprehensive real time passenger information (RTPI) offer and good on street bus infrastructure. Most services are provided without subsidy but, for a number of years, the council has funded essential bus services which would not be provided commercially. The commercial public transport network has been impacted significantly since the COVID pandemic, as ridership levels have not returned to pre-pandemic levels particularly on the less frequent services.

- 3.3. These proposals support the council's Imagine Portsmouth, a city vision for Portsmouth City Council's Imagine Portsmouth¹, a city vision for Portsmouth's future by 2040, particularly about creating a city with easy travel and creating a green city. It also supports Portsmouth Transport Strategy², adopted in October 2021, and its vision that: "By 2038 Portsmouth will have a people-centred, connected, travel network that prioritises walking, cycling and public transport to help deliver a safer, healthier and more prosperous city".
- 3.4. The council currently subsidises bus services 12,13/14 (Sundays and bank holidays), 22 and 25, and since 2 April 2023, the previously commercial services 13 and 14 (Mondays to Saturdays) and 18 (daily) (see section 4 of this report). These routes provide essential travel links for those residents not served by the commercial bus network, which have been identified through proactive consultation exercises and feedback from the public.
- 3.5. At the meeting of the Cabinet Member for Traffic and Transportation in December 2022 it was recognised that uncertainty over the continuation of the Bus Recovery Grant (BRG) beyond March 2023 could lead to a further reduction in commercial bus services. In February, BRG was extended to June and in May further funding through to 2025 was announced. On 23 December 2022, local bus operator, First Solent gave notice to the council on their contracts for supported services 13/14 and 22 after 1 April 2023. First also advised that they would be de-registering previously commercial services 13 and 14 (Mondays to Saturdays) and 18 (daily) from the same date and would require council funding if these services to continue.
- 3.6. At the meeting of the Cabinet Member for Traffic and Transportation on 8 March 2023 permission was given to extend the local bus tenders and provide funding for services 13, 14 and 18 until 29 July 2023 to progress the procurement process and to deal with the emerging financial impact locally of the nationwide network review which was initiated by the Department for Transport. The contract history was set out in detail in the December report.
- 3.7. An openly advertised competitive tender process has been actioned in full compliance with the Public Contracts Regulations (2015), the council's Contract Procedure Rules and the council's governance processes. Tenders were received from multiple operators against a range of pre-set timetable options to ensure that essential travel links for existing communities could be maintained whilst ensuring best value for council taxpayers.
- 3.8. In line with DfT guidance, it is anticipated that the cost of awarding the recommended tenders in the current financial year will be met from unallocated Concessionary Travel budget.

¹ [The Vision - Imagine Portsmouth](#)

² [Portsmouth Transport Strategy 2021-2038](#)

4. Supported bus services

4.1. Portsmouth City Council currently supports the following bus services outlined in table 1.

Table 1:

Bus service	Route
12	Tipner - North End - Chichester Road - Fratton Way (Monday to Saturday off-peak)
13/14	City Centre - Fratton - Milton - Baffins (Daily)
18	Paulsgrove - QA Hospital - Cosham - North End - Fratton - Southsea (Daily)
22	Highbury - Cosham - Drayton - Farlington (Daily)
25	The Hard - Old Portsmouth - Southsea - Eastney - Hayling Ferry (Daily)

4.2. Following evaluation of the bids received, the following options met the award criteria:

- Service 12, maintain existing timetable
- Service 13/14 maintain existing timetable without additional college time journeys
- Service 18 maintain existing timetable at other times
- Service 22, maintain existing timetable
- Service 25 maintain existing timetable

4.3. Additional college time journeys were funded by season tickets paid for by students.

4.4. Further details of the tender evaluation are provided in business confidential Appendix C due to the information being commercially sensitive:

5. Reasons for recommendations

5.1 The proposals will maintain essential transport links for residents.

5.2 The proposals support the council's Imagine Portsmouth city vision for 2040 for easy travel and a green city as well as the Portsmouth Transport Strategy's vision for a people-centred, connected travel network.

5.3 Undertaking a full competitive tender process has ensured best value for council taxpayers.

6. Integrated Impact Assessment

- 6.1. An Integrated Impact Assessment is found in Appendix B and identifies the following impacts:
- The supported bus services improve quality of life and mental health for those who may be isolated without them.
 - The continuation of the supported services will support those protected characteristics who utilise the services particularly gender, age and disability.
 - The continuation of supported bus services supports modal shift from private car and supports cleaner air.
 - Some services may support individuals in accessing employment, education and training.

7. Procurement implications

- 7.1. As stated within Section 3 above the procurement process actioned has to date been undertaken in full accordance with the process set out within the procurement documents as well as the council's rules, governance processes and wider procurement regulations. The procurement process has been directly supported at all stages by the council's Procurement Service.
- 7.2. Whilst the evaluation of bids has been completed and the award recommendation has been subject to the council's governance approvals it should be noted that no correspondence has been issued to bidders to inform them of the council's decision as this cannot be actioned without approval of the recommendations set out within this paper.
- 7.3. If approval is granted to proceed the council will issue award decision notification to the bidders immediately after which the council is required under the Public Contracts Regulations (2015) to observe a mandatory 10 day standstill period. On the basis that correspondence is issued to bidders on 7th July 2023 and no substantive legal challenges to the council's award decisions are received the standstill period will expire at 23:59 on 17th July 2023 after which the council may lawfully enter into contract with the preferred bidder for each of the routes / Lots.
- 7.4. Until the standstill period has successfully completed the council must maintain strict confidentiality in respect of the identity of the bidders and the contents of the bids or risk impacting upon the integrity of the procurement process and breaching the Public Contracts Regulations (2015).

8. Legal implications

- 8.1. The Council has powers under the Transport Act 1985 in relation to the subsidy of passenger transport services. If the Council chooses to subsidise services, then it must do so via a competitive procurement process. This process is governed by the provisions of the Public Contracts Regulations 2015 ("PCR").

- 8.2. The Council also has its own requirements in relation to the procurement process as set out in the Contracts Procedure Rules which form part of the Council's constitution.
- 8.3. The Council undertook a compliant procurement process, and the results of that process are contained in the recommended awards decision set out in Appendix C. The Cabinet Member can either accept the award recommendations or choose not to award the contracts; to deviate from this would mean that the Council was not acting in accordance with PCR and therefore could be subject to a challenge under the procurement legislation from an aggrieved bidder.
- 8.4. The details of the tender exercise contain commercially confidential information and so are not subject to publication. In addition, the Council will observe a standstill period in accordance with PCR, which will commence when the Council notifies bidders of its chosen contractors. Consequently, the Council cannot at this stage publicise who the successful bidder/s are as this needs to form part of the regulated procurement process.
- 8.5. The conditions of contract have been drafted by legal services.

9. Director of Finance's comments

- 9.1. The cost to operate services 12, 13, 14, 18, 22 and 25 from 3rd September 2023 to 5th September 2026 will be funded through the Transport Portfolio cash limited budget.
- 9.2. The use of unallocated Concessionary Travel budget to meet the cost of reinstating bus service withdrawals was approved in the Traffic & Transportation Cabinet Member Decision Meeting on 16th February 2023.
- 9.3. Beyond the 2023/2024 Financial Year, should the forecast underspends in the Council's Concessionary fares revenue budget not cover the cost of the recommendations set out in this report, the balance will be sought from the Parking Reserve.
- 9.4. Any Bus Operating Grants that become available to the Council during the year will be used to offset the cash limited funds required. £35,000 of Bus Service Improvement Plan (BSIP) grant funding will be used to fund additional journeys added to Service 18.

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Signed by:

Appendices:

Appendix A - Route Maps for the bus services in this report

Appendix B - Integrated Impact Assessment (IIA)

EXEMPT Appendix C - Award recommendations

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:

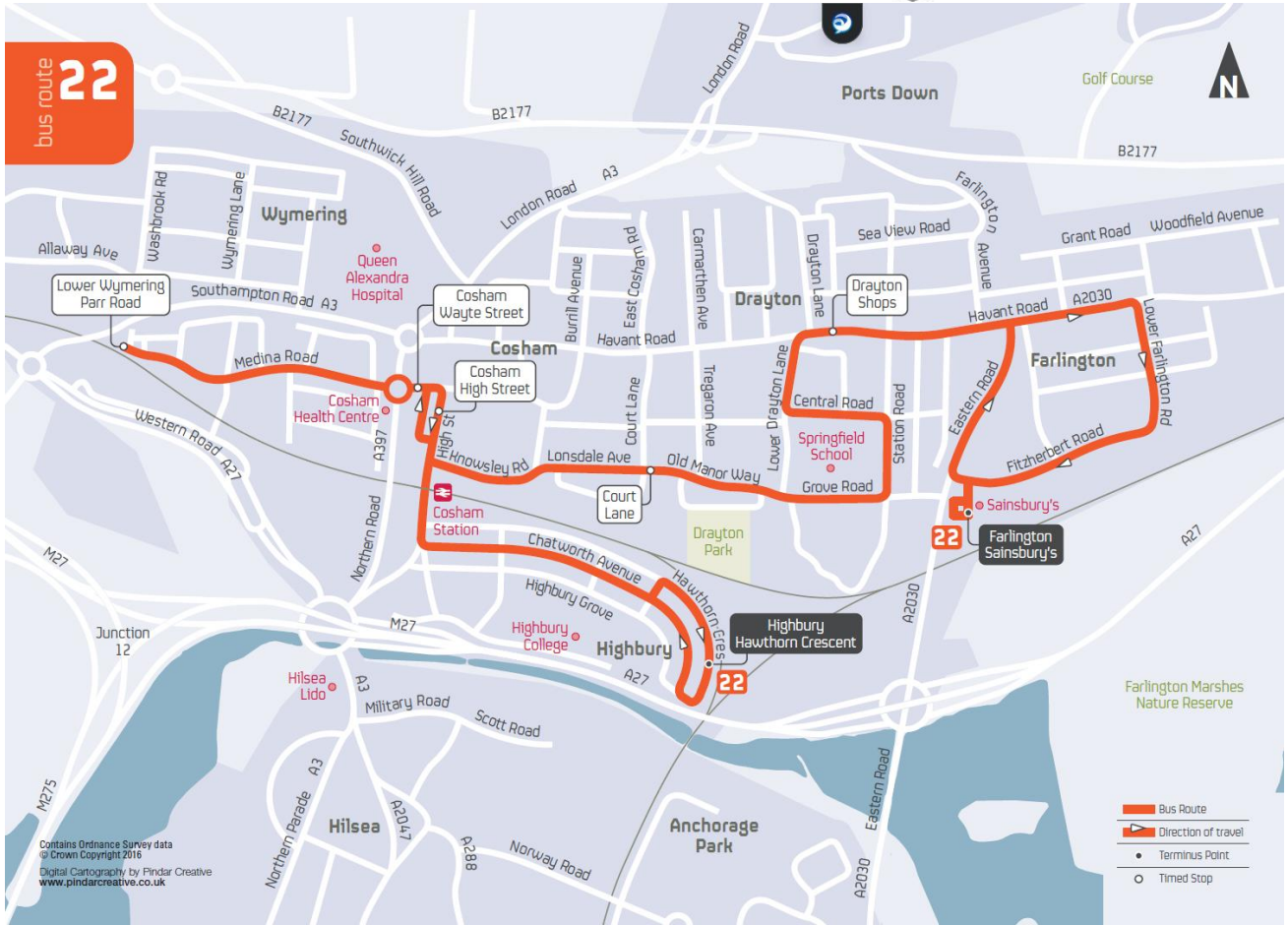
Title of document	Location
Portsmouth supported bus services -. Report to Cabinet Member for Traffic and Transportation, March 2023	Report presented to the Cabinet Member for Traffic & Transportation 8th March 2023
Portsmouth supported bus services -. Report to Cabinet Member for Traffic and Transportation, December 2022	Report presented to the Cabinet Member for Traffic & Transportation on Thursday 8th December 2022
Portsmouth supported bus services. Report to Cabinet member for Transport and Transportation July 2022	Agenda for Cabinet Member for Traffic & Transportation on Thursday 28th July 2022
Portsmouth's Bus Service Improvement Plan (BSIP)	Public transport - Travel Portsmouth
Bus Back Better	Bus back better - GOV.UK (www.gov.uk)
Imagine Portsmouth	The Vision - Imagine Portsmouth
Portsmouth Transport Strategy 2021-2038	Portsmouth Transport Strategy 2021-2038

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

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 Signed by:

Service 13/14





Service 25

