

CABINET MEMBER FOR TRANSPORT - 24 MARCH 2011

BUS SERVICE SUBSIDIES

Report by Deputy Director for Environment & Economy - Highways & Transport

Introduction

1. This report and associated Annexes deal with the following items, which now require decisions to be made by the Cabinet Member for Transport:
 - (A) The Review of Subsidised Bus Services in the Wheatley, Thame and Watlington areas, which, if awarded, will be effective from Sunday 5 June 2011.
 - (B) Other bus subsidy contracts elsewhere in the County.
2. Background information on items (A) and (B) above is included at Annex 1 together with a summary of the relevant points from the responses received through local consultation. Information relating to the main County Council subsidy contracts is also included at Annex 1 for each service, but in some cases there are wider issues affecting particular contracts, which are discussed in the main body of this report. Section A of Annex 1 deals with existing services under review in the Wheatley, Thame and Watlington areas, whilst Section B deals with other services elsewhere in the County that require a decision, some of which have arisen as a consequence of the area review in Section A.
3. Tender prices obtained for contracts specified in paragraph 1 will be contained in a confidential Supplementary Exempt Annex 2, to be circulated later.
4. Supplementary Annex 3 contains information on the review of grants for provision of locally organised transport schemes for people with mobility impairments, the funding for which expires on 31 March 2011. This covers the Didcot Volunteer Centre Car scheme and Cholsey Car Scheme.

Reasons for Exempt Annex

5. This item should be considered in exempt session because its discussion in public might lead to the disclosure to members of the public present of information relating to the financial or business affairs of any particular person (including the authority holding that information) as a result of discussions between Oxfordshire County Council and/or other local authorities and organizations.
6. The costs contained in Annex 2 must be treated as strictly confidential since they relate to the financial and business affairs of the operator. All prices must be treated as strictly confidential until such time as the Decision Meeting

decides whether or not to provide financial support for each service. Revealing operators' prices before then would prejudice the County Council's position if tenders or propositions had to be sought again for any

of the services. Prices remain confidential after the date of this meeting for 10 days (until 3rd April 2011) under the objection period specified in the Public Contract Regulations 2006.

Subsidy Prices

7. Tender prices will not be available until shortly before the meeting and will therefore be reported separately in Supplementary Exempt Annex 2 together with my recommendations. Until all tender prices and 'de minimis' propositions received have been analyzed, I will not know what the overall impact on the Public Transport budget is likely to be. Local Members will be advised in writing of recommendations affecting their Divisions at least one week before the meeting that considers this report, and their written comments sought. Any responses received will be included as an appendix to Supplementary Exempt Annex 2.
8. If further support for any contract is not agreed at the meeting on Thursday 24 March 2011 (except where they have been replaced by alternative arrangements or contracts) then the service or journey(s) concerned will cease after operation on Saturday 4 June 2011. The only exception to this may be if a settlement will be left with no other form of public transport. In such cases, I may recommend that existing contract arrangements be extended until 10 December 2011 to allow time for alternative facilities such as voluntary community transport to be explored.

Exemption from Call-in

9. On 10 January 2006 Council agreed an amendment to the Constitution which means that the County Council's call-in procedure should not apply to any decision on the letting of a contract, arising from termination of an existing contract, if the time available is such that allowing for call-in would result in service discontinuity, provided that all members of the relevant Scrutiny Committee had been informed of the circumstances of the decision to be made and had had an opportunity to make representations to the decision maker about it. Since existing subsidy contracts will inevitably end on 5 June 2010, the effect of any call-in would be to prevent introduction of any replacement contracts, thus resulting in complete withdrawal of the services concerned and a consequent service discontinuity. The 10 January 2006 amendment therefore applies.
10. With regard to that provision, local members and Growth & Infrastructure Scrutiny Committee Members will be advised of the recommended contract awards (as contained in Supplementary Exempt Annex 2) at least one week before the date of this meeting to allow them the opportunity to put their comments in writing or arrange to speak at the meeting.

11. The above arrangements are separate from the provisions of the Public Contracts Regulations 2006 which allow a 10 day 'cooling-off' period for contractors who have any grievance with regards to the tender awards or processes. Successful tenderers will be advised of the outcome as soon as is practicable after the meeting, so that they will be in a position to register services with the Traffic Commissioners before the end of the 10 day period if necessary. Because of this it will not be possible to disclose any information to the public in respect of the tender awards until before Monday 4 April 2011 (the tenth day of the 'cooling-off' period being the preceding Sunday).

Financial Position – Current Year (2011-12)

12. The provisional funding available in the County Council's bus subsidy budget is as follows:

	<u>£000's</u>
Bus Subsidy Budget	2,892
Rural Bus Subsidy Grant (RBSG)	1,737

Annual inflation, which is applied to existing contracts, does have a minor impact on available funding for new contracts.

Note that this excludes budgets for public transport development, some of which are used for pump-priming bus services. It also excludes over £800K of income from developer, partnership and service-specific Government grant funding. All of these other sources of funding are dedicated to specific services and are not available for general bus subsidy. The value of any of these other sources of funding is therefore 'netted out' in any references to the subsidy cost to the Council of the services concerned.

Commercial declarations.

13. At an early stage in the review process the County Council contacts not only the existing contractors of the services involved, but also all operators on the approved tender list (roundly some 220 in total), to enquire if it is felt that there are any opportunities to provide all or part of the services under review on a commercial basis. At one time this elicited little or no response, however recent reviews have seen a number of declarations by operators resulting in significant savings in expenditure. Two separate declarations have been received for routes within this review.

Financial Position – Wheatley, Thame & Watlington area Review

14. The current annual net cost to the bus subsidy budget of the contracts under review (as at 1 April 2011) is £572,855.51. However, there are also external contributions to some of the contracts under review (largely from Section 106 developer contributions) which total an additional £8,598.52 annually.

15. One of the contracts under review (PT/S 13 additional Sunday journeys on route 280) is wholly funded from these S106 contributions, but virtually all of the allocated funds will have been used by the end of this contract in June 2011 (the monies having been ring-fenced at the time of award). These journeys will therefore only continue to operate after 5 June 2011 if they are funded directly from the County Council's bus subsidy budget. See paragraph 35 below for more details.

Contract Numbering

16. Contracts have been given a letter code in the first column of each Annex (and also in any references to the service within this report) and members are recommended to use this code for cross-reference purposes. Existing service and contract numbers are mentioned, for members' information only, in the service descriptions. Both service and contract numbers may change following award of new contracts.

A. Review of Subsidised Bus Services in the Wheatley, Thame and Watlington areas.

Background

17. Subsidised bus services in the Wheatley, Thame and Watlington areas are due for their regular review, and tenders have been invited for new contracts to run from 5 June 2010 until June 2016 (for the Wheatley area routes) or June 2017 (for Thame and Watlington services). This is to concur with the revised six-year re-tendering cycle as agreed by the Integrated Transport Board in 2009. 9 existing contracts (plus 2 Community bus services) were originally included within the scope of this review, and 7 other contracts, not part of the review (but some having arisen as a consequence thereof) are also due for consideration. The latter are dealt with separately in section B of this report.
18. Details of all of the services concerned, together with information on the present subsidy cost and patronage data are contained in Annex 1. All affected Parish/Town Councils were consulted, as were three District Councils. The Parish Transport Representative of each parish was notified of the consultation process in addition to the Parish Clerk. Numerous further interested parties were also consulted in the course of this review including Bus Users UK, Transport for All, Chiltern Conservation Board and colleagues elsewhere within Oxfordshire County Council. Notices were placed on buses operating the routes concerned, and at major bus stops. As a result views were also received from private individuals and other representative bodies. Comments received from the consultees, including any particular requests for new services or variations to existing routes, are also summarized under the respective contract headings in Annex 1.

Consultation during Review

19. The consultation process undertaken was similar to other review areas in that some 43 Parishes/Towns were consulted and an open meeting for representatives was held in Thame Town Hall in November 2010. A response rate of around 65% was achieved from Parish and Town Councils as a result of the public consultation exercise. Of these, six responses also included summaries of 'transport needs surveys', which were compiled with the assistance of the Rural Transport Adviser at Oxfordshire Rural Community Council. Five others had recently completed "parish plans" under guidance from the Partnership Working Unit at County Hall.
20. A slightly different structure applies within Oxford City where there are still a number of small "Parishes" which mainly date from before the last expansion of the City boundaries. Of these, Blackbird Leys and Risinghurst & Sandhills Parish Councils were also contacted regarding services under review in their respective areas.
21. A number of strong representations were made for new services, additional journeys or variations to services (some cross-boundary into adjoining Counties), although it was made clear at the commencement of the consultation process (in September 2010) that it was very likely that spare funds for any significant improvements would be limited in view of the budgetary constraints imposed by Government.
22. Specifications for the new contracts have therefore sought prices for some minor route diversions or other realistic improvements where feasible, to meet any requests. In addition to the above responses, several further lengthy comments were received from other external consultees including Bus Users UK.

Services under Review

22. A number of factors have had to be taken into consideration during the course of the review. These include:-
 - a. The wholly or partial commercial declarations, and subsequent 'de minimis' prices sought.
 - b. Other 'de minimis' prices sought for some contracts.
 - c. Home to School Transport: revised joint working arrangement.
 - d. Exploration of possible use of other transport providers including unconventional modes.

a) – Wholly or partial commercial declarations and subsequent de minimis prices sought

23. The position regarding the commercial declarations received during this review, which are still the subject of further discussions, will be set out fully in Confidential Annex 2.

Service 102 - PT/S 19 (Item C):-

(Watlington – Chalgrove – Horspath – Oxford City)(1 jny e.w. Fri/Sat eves).

A tender has been offered seeking prices for the existing level of service, but the additional journeys currently provided by Thames Travel have not been included.

24. For all contracts under review and made available for tender, officers have as a basic specification generally sought tenders for the current level of service. However, as usual various alternative options have also been specified for many contracts at either an enhanced (to meet requests) or lower (mainly based on usage) level of services or for a combination of existing routes in order to achieve savings. However, in view of the above developments and other negotiations mentioned below, only 5 contracts were offered for open tender.

b) – Other ‘de minimis’ prices sought

Arriva the Shires Ltd - service 280 (Contract PT/S 13) (Item G) Two additional Sunday journeys on an otherwise commercial operation.

25. This contract, funded by a S106 contribution from development on the former Rycote College site in Thame, commenced in March 2008, covers two extra journeys on route 280 on an otherwise broadly hourly frequency provided commercially on Sundays and Public Holidays by Arriva. The first enhancement was to run an extra early morning bus at 08.20 from Thame to Oxford returning at 09.00 from Oxford to Aylesbury. This was approximately one hour earlier than had previously been provided. The second funded trip (in respect of the Oxfordshire portion) is at 18.45 from Aylesbury, 20.00 from Oxford which maintains the hourly daytime frequency further into the evening period than previously.
26. “De minimis” prices have been sought from Arriva separately for each trip and a combined price to continue both. Prices received will be detailed within Annex 2 (item G).

Arriva the Shires Ltd - service 280 (Contract PT/S 14) (Item H) Last bus from Aylesbury to Thame.

27. Oxfordshire County Council currently makes a small contribution to a Buckinghamshire County Council “de minimis” arrangement that funds the 22.45 journey on route 280 that operates between Aylesbury Bus Station and Thame (Town Hall) only. Support is for Monday to Thursday evening operations only; Fridays and Saturday evenings are run commercially by Arriva.
28. Due to financial constraints a review of supported evening and Sunday services is being undertaken by Buckinghamshire County Council and they have indicated that it is unlikely that these journeys will be continued. Our own surveys have shown that usage over the in-County section (specifically from Haddenham & Thame Parkway Station into Thame) is minimal. Arriva

has stated that if the funding for Monday to Thursdays is discontinued, then the Friday and Saturday journeys will cease as well.

29. Representations were received during consultation from Thame Town Council urging continued support for the 22.45 journey, mainly to enable residents to visit the new Waterside Theatre recently opened in Aylesbury. It would however be very difficult to justify Oxfordshire County Council bearing all the costs of operating this trip for this reason. Buckinghamshire County Council has indicated a date of 15 May 2011 for possible withdrawal.

c) – Home-to-School Transport – revised joint working arrangements

30. These are now tendered within the Integrated Transport Unit on a separate timescale to Public Transport contracts. There are no contracts within this review that carry entitled scholars and no opportunities were identified at this stage for putting students on existing public journeys.

Identification of flows of non-entitled schoolchildren

31. The Bus Strategy states that subsidy will not be paid for services provided wholly or mainly for passengers who are (non-entitled) students who pay their own fares, although where a service can be justified on the basis of catering for other users, and can cater for students at no extra cost, then every effort will be made to ensure that this is achieved.
32. One of the flows of students, identified by the County Council, from Chinnor to Thame 6th Form College will still be carried on Line 40 from 5 June 2011. There is also some small usage of service 108 from Horton and Beckley to the private schools in Oxford. However due to the lack of an AM peak bus from Horton, students are taken by car to pick up the bus in Beckley; there is however a PM peak return facility to Hornton, operated on request.

d) - Exploration of possible use of other transport providers including unconventional modes.

33. Officers considered the possible use of County Council-owned (Special Transport services) vehicles in the context of this review and a number of possible opportunities were identified. Contract PT/O 8 (service H1) awarded in June 2010, covers the Old Marston area and can readily be enhanced to include the Headington Quarry area, currently covered by a diversion off-route of service 108 (Oxford – Forest Hill). This diversion is unpopular with 108 users it adds about 5-8 minutes to the journey time for sometimes few extra passengers. This is explained more fully in paragraph 43 (Item L) below.
34. Other areas explored including possible use of S.T.S. vehicles in the Thame area to replace the Town service and/or serve the Queens Road area discontinued on Line 40 (see paragraph 27b), extension of Community Bus operations (especially Watlington C.I.C.) and a restructuring of the Dial-a-Bus operations to possibly embrace South Oxfordshire (where no such facility exists at present). Any developments will be reported in Confidential Annex 2.

Developer Funding – Section 106 Monies

35. Details of any available Section 106 funding (or alternative sources) for particular bus services under review will be shown under the relevant item headings within Annex 2. Only one current contract is wholly funded from S106 contributions:-

Contract PT/S 13 (service 280) (Item G)

Discussed in paragraph 25 and 26 above: - S106 used up by June 2011.

36. Whilst other monies may possibly become available from proposed developments in Thame and Chinnor during the period of these contracts, none is sufficiently assured as to be allocated to specific improvements to bus services at the present time.

Contract Costs

37. Following the award of the any new bus service contracts, the financial impact on the Bus Services budget can then be calculated. The financial out turn will be set out in Annex 2.

Contributions towards scheduled Community Transport operations

38. There are two Community Transport operations in the review areas which are currently under review.

The Watlington Connection – service W1 (Item J)

38. Operated by Watlington Community Interest Company between Watlington and Lewknor Interchange (Mon-Fri Peaks only). One morning journey also serves Chinnor. The evening service is provided on a “prior notification” (by telephone) request basis, meeting specific Oxford Tube buses at Lewknor.
39. This operation is the latest publicly funded service to provide a commuter service from Watlington to Lewknor Interchange in an attempt to reduce the number of cars parked on verges and lay-bys in the Interchange area. All the previous operations (using specific Government “Challenge” funding) have ceased when the “ring-fenced” funding was used up. The current operator (the first “community” based provider) has stated that they do not expect to receive further funding when the existing package ends in June 2011, but will continue to operate service W1 whilst they have sufficient reserves. Discussions were also held to explore if there was any scope to expand their operations.

The Swyncombe Lifeline (Item K)

40. This service was brokered by Oxfordshire Rural Community Council (ORCC) and is mainly funded by the Parish Councils in the area covered. Running on a Thursdays, and operated by Walters Coaches on hire, it serves villages in the hinterland south of Watlington including Maidensgrove, Stonor and the

Assendons thence into Henley on Thames for shopping. It replaced a long established minibus service run by a Mrs. Beechey from Russell's Water and Maidensgrove (from which County Council support was withdrawn in 2001) and service 124 (Watlington – Henley via Stonor) withdrawn in 2007 through lack of use. The County Council currently contributes a small amount to the overall cost. ORCC has however indicated that their support will cease as from 1 April 2011. Whilst the full cost of provision can of course be shouldered by the Parish Council's, the future of this service is nevertheless in doubt. Any further developments will be reported in confidential Annex 2.

Supplementary Annex 3

41. Annex 3 gives details (and makes recommendations) in respect of two locally organised transport schemes for people with mobility impairments which have also been reviewed. Funding for these operations expires on 31 March 2011. The two schemes are:-
- a) Didcot Volunteer Centre car scheme.
 - b) Cholsey Car scheme.
- Full information on these services is given in the attached Annex 3.

Services to Postcombe and Tetsworth

42. At the review undertaken in 2007 a contract was awarded (PT/S 9) for a significant enhancement to service 124 between Watlington and Thame via Lewknor and the old A40 road through Postcombe and Tetsworth, increasing from a two day per week, to a six day operation. This was to partly compensate for the withdrawal of funding for route 275 (High Wycombe – Stokenchurch – Postcombe – Tetsworth – Wheatley – Oxford) and its expected demise. In the event however, the operator of the 275, Red Rose Travel Ltd decided in 2007 to continue to provide three trips in each direction (Mon-Fri) on a commercial basis (although some of these are currently worked by the bus that also operates the 124 contract). This has resulted in the usage of service 124 being lower than had been hoped for.
43. Discussions with Red Rose Travel have indicated their intention to continue the commercial 275 journeys for the present, on broadly the current timetable (at the time of writing this report). The new specification for service 124 therefore includes a number of options, most of which entail a reduction in the number of journeys on route 124 or interworking the bus onto other supported routes in the area. Costs for all of the options sought will be set out in Confidential Annex 2.

B. Contracts for Subsidised Bus Services elsewhere in the County

Oxfordshire County Council (Special Transport Services) H1 and new route H2 (Contract PT/O 8) (item L)

44. Service H1 has been provided since June 2010 and runs on Wednesdays and Fridays between Old Marston village and Headington Shops. Prices have been sought to extend the operation to include the Headington Quarry area

(and operate this section on Mondays to Fridays inclusive). This will replace the current diversion of certain journeys on contract PT/S 8 (routes 108/118) which are unpopular with through passengers from villages outside of Oxford City. There are presently three irregular journeys round the Quarry loop to/from the Headington direction and these will be replaced with four trips on route H2 at hourly intervals. The price to vary the exiting contract with S.T.S. will be reported in Confidential Annex 2 (contract termination date of June 2016 is unchanged).

**Thames Travel service 125 (Contract PT/S 61):
Wallingford – Watlington, Mon-Sat (Item M)**

45. Thames Travel (Wallingford) Ltd has given due notification of the premature surrender of contract PT/S 61, (due to expire in June 2012) as from 4 June 2011. The contract provides for three single journeys between Wallingford and Watlington via Benson, Ewelme and Britwell Salome on Mondays to Fridays and two return journeys each way on Saturdays.
46. Whilst tenders (for a one-year short term contract) have been sought for the current level of service, other options include a lower frequency or reduction to perhaps operation on one or two days per week. Observed usage is low except on Fridays when there are some passengers from parts of Ewelme village not served by the regular 132 service (Hampden Way area) into Wallingford market.
47. Although serving Watlington, the 125 service was not part of the consultation exercise undertaken in the autumn of 2010 as part of this review, as it is deemed to be part of Wallingford group of routes (next reviewed in 2012). However, in view of the possible reduction in service outline in the preceding paragraph, all the Parishes served by the 125 have been approached separately seeking their views on any changes. A summary of their comments, together with the prices received for the various options, will be reported in Confidential Annex 2.

**Thames Travel service 138 (Contract PT/S 69):
Wallingford – Berinsfield, Mon-Sat (Item N)**

48. Thames Travel (Wallingford) Ltd has also given due notification of the premature surrender of contract PT/S 69, (due to expire in June 2012) as from 4 June 2011. The contract provides for an hourly off-peak only service between Wallingford and Berinsfield interchange via Shillingford and Dorchester on Thames (Mon-Sat), connecting at Berinsfield with Thames Travel commercial services X39/X40 to/from Oxford. Peak hour buses over this route are currently provided by commercial journeys on Thames Travel route 105 (Wallingford – Oxford) and supported journeys on Heyfordian route 114 (Wallingford – Abingdon).
49. The route network over the Wallingford – Berinsfield – Oxford corridor is somewhat complex and has evolved over the past ten years or so. The long established 105 route at one time provided a regular pattern of service

through the villages of Benson, Shillingford, Berinsfield village, Dorchester on Thames, Sandford and Littlemore to/from Oxford City centre. However Thames Travel has established and promoted the newer express X39/X40 services between Wallingford and Oxford which run daily at up to a 30 minute frequency, and which have gained much of the inter-urban patronage.

50. Although the X39/X40 serves Benson Marina (on the A4074) and Berinsfield, main road (on the A4074), it by-passes Dorchester, Berinsfield village and Sandford/Littlemore. The County Council has therefore had to contract supported services to provide some facilities to these villages. Since the last review in 2007, Heyfordian service 116 has provided the off-peak Oxford – Sandford/Littlemore – Berinsfield village link, continuing on to Abingdon, whilst the 138 contract (PT/S 69) provided the missing off-peak Wallingford – Berinsfield link through Dorchester.
51. Thames Travel has also run, commercially, a few remaining peak hour journeys on the old 105 route from Wallingford to Oxford and vice versa, reduced off-peak to a local service (numbered 106) from Oxford City to Littlemore/Sandford which then diverts into the developing Oxford Science Park and the Kassam Stadium area. These route 106 journeys are partly funded (under a separate arrangement with Thames Travel) by the Science Park, but combined with the OCC supported 116 provide a regular 30 minute service from the City to Littlemore/ Sandford.
52. In July 2009 Thames Travel offered to link the “commercial” off-peak 106 journeys via Kassam to their existing contract for route 138 from Berinsfield to Wallingford thus restoring a through service Oxford – Wallingford via Dorchester (but not serving Berinsfield village – this is still the province of route 116), and thereby subsuming the 138 number into the 106 route. Frequencies and times were virtually unchanged from the two separate operations. This linking will now be severed.
53. Tenders have therefore been issued for a short-term one year contract to replace the existing 106/138 on a like-for-like basis over the Berinsfield – Wallingford section. To have not done so would have left the village of Dorchester on Thame with no off peak bus services. This will enable a full review of the network in this are to be undertaken as part of the Wallingford review in June 2011. There was some disquiet expressed in Dorchester (including holding a public meeting) when the 138 was introduced in 2007 as it entailed a change of buses at Berinsfield to get to/from Oxford (during off-peak hours). The extension of 106 in 2009 effectively resolved this issue although indications are that patronage from Dorchester may have declined in the interim. This may become an issue again with the award of the one year 138 contract.

**Thames Travel service 105 (Contract PT/S 70) (Item O)
Wallingford - Oxford via villages.**

54. Thames Travel have also de-registered the remaining journeys on their service 105 (Wallingford – Oxford via Dorchester and Sandford) with effect from 4 June 2011. The County Council has, since December 2009 supported

financially one peak journey on 105 at 07.45 from Oxford to Wallingford (Contract PT/S 81 – expires June 2012) and this is unaffected. The newly de-registered journeys are:-

06.30 and 07.00 Wallingford to Oxford (Mon-Fri) – these journeys both still serve Berinsfield village.

18.00, 18.20 and 18.50 Oxford – Wallingford (Mon-Fri)

18.30 Oxford – Wallingford (Sats).

55. Data supplied by the operator indicated that the 0630 and 07.00 buses average 37 passengers overall of which about 7 were picked up in Berinsfield village. Thames Travel has submitted a “de minimis” quotation to provide a 105 journey at 06.25 from Wallingford whilst open tenders have been issued for a replacement single journey slightly later at, say 06.45 from Wallingford which might be of more value to existing users. The already contracted journey at 07.45 from Wallingford will continue unchanged (and serve Berinsfield village).
56. No tender has been issued to replace the evening 105’s that have been discontinued so the last departure from Oxford for passengers to Berinsfield village will be the Heyfordian (supported) 115 journey at 17.30. from High Street stop L1. Services X39/X40 provide a regular service throughout the evening until 23.20 (03.20 on Fri/Sat nights), 21.50 on Sundays from Oxford (St Aldates, stop H5) to the Main Road lay-by at Berinsfield.

Stagecoach South Midlands

Sunday services in Banbury (Contract PT/C 16) (Item P)

57. This contract was awarded following the area review undertaken in June 2009 and covers Sundays/Public Holiday services in Banbury on town Routes B1/B2 (Easington/Bodicote) B5 (One AM jny only to Bretch Hill) .B8 (Hardwick) and route 500 (Banbury – Brackley). Service 500 was included at the request of Northamptonshire County Council and they pay a proportional sum towards the combined contract. Inclusion of the 500 enabled Stagecoach to offer savings in the use of crew and vehicles by combining most of the Sunday operations within the Town
58. Northamptonshire County Council has advised that, as a result of a significant reduction in their bus subsidy budget, all of their existing contracts will be terminated from a date to be advised. This includes their current contribution to PT/C 16 (which is not due to be re-tendered until June 2013).
59. Discussions with Stagecoach South Midlands has indicated that they may consider providing a limited commercial daytime “shopping hours “ service on Sundays on 500 (virtually all of the Monday to Saturday service is already commercial). They have nevertheless been requested to extrapolate the cost of the 500 from the B1/B2, B5 B8 Sunday operations and give a revised quotation for PT/C16. If necessary some minor adjustments may be required in timings or number of journeys to remain broadly within the contribution that the County Council makes at present to these operations. The outcome will be reported in Confidential Annex 2.

Arriva the Shires Ltd

Service 800 – Sundays (High Wycombe – Reading) (Contract PT/S 31) (Item Q)

60. Under a separate contract, the County Council supports an hourly daytime Sunday/Public Holiday service on Arriva the Shires route 800 (High Wycombe – Marlow – Henley – Reading). This is just for the section within the County from Fawley (east of Henley) to the Reading Borough Boundary at Caversham. Arriva provide the Monday – Saturday service on 800 on a wholly commercial basis with no support from Oxfordshire County Council.
61. The 800 Sunday service is however also funded under a separate arrangement with Buckinghamshire County Council for the Henley – Marlow – High Wycombe section, and that authority is seeking to generally withdraw subsidies from Sunday operations. Under the terms of PT/S 31, Arriva are therefore committed to run the section within Oxfordshire unless they surrender the contract prematurely (it expires in June 2012).
62. Early indications from the company are that they are assessing the degree of commerciality that the route has within Buckinghamshire but are hopeful of continuing the Oxfordshire section (within the current contract price). No subsidy has been received (or requested?) for the short section within the Reading Borough area, although some local passengers are carried within this area, especially on Sundays when other parallel Reading Transport services are less frequent. Further developments will be reported in Exempt Annex 2.

Oxford Bus Company

Service 2A – Diversion via Lyne Mead, Kidlington (evenings and Sundays) (Contract PT/O 20) (Item R)

63. This “de minimis” arrangement was considered as part of the Oxford Area review in June 2010, when the contract had then run for period of four years. It covers a short diversion on the otherwise commercial Oxford Bus 2 group of services (City – Kidlington) to serve Lyne Mead during the evenings and on Sundays.
64. Oxford Bus offered in June 2010 to incorporate these journeys into the new Quality Bus Agreement (Q.A.) for the Banbury Road services from the date of implementation at no cost to the Council. The Cabinet Member for Transport at the Decision Meeting on 25 March 2010 therefore agreed to extend contract PT/O 20 (and continue payment) until the introduction of the Q.A.
65. However the introduction of the Q.A. has been delayed by unforeseen technical problems and no date has currently been set for implementation. The current contract under PT/O 20 cannot legally be extended beyond 4 June 2011, so if the Q.A. has not been introduced by this date a new contract will have to be entered into with Oxford Bus. The company has been requested to provide a new “de minimis” quotation (expected to be the same as at present) and this will be recorded in the Exempt Annex 2.

How the project supports LTP2 objectives

66. The 'Accession' system is able to provide a detailed accessibility study for the rural areas under review in respect of the Thame and Watlington area. Oxford City is outside the LTP objectives in terms of the accessibility criteria. Officers will give a provisional indication in Annex 2 where appropriate, of those service options which, if agreed, would have either a significant positive or negative effect on the accessibility score.

Financial and Staff Implications

66. The financial implications as they relate to bus service subsidies will be dealt with in Supplementary Exempt Annex 2. There are no staff implications.

SUPPLEMENTARY EXEMPT ANNEX 2

67. This document will be circulated prior to the meeting to all relevant County Council members. Each contract (or group of like contracts) will have a separate sheet in the same order and numbering as in Annex 1. Relevant information on the current service pattern, level and route will be repeated in the heading followed by the Officer's recommended option and suggested course of action (including the costs of recommended option). This section will also highlight the likely consequences of proceeding with award of this recommended option (parishes/areas unserved or known passenger flows displaced). This is followed by a summary of all the other options/prices sought and the cost /likely effect of awarding these options (and which may be awarded by the Cabinet Member for Transport in lieu of the Officer's recommended option if they so wish).

RECOMMENDATION

68. **The Cabinet Member for Transport is RECOMMENDED to:**
- (a) make his decisions on subsidy for the services described in this report on the basis of the tender prices (and the periods of time) as set out in Supplementary Exempt Annex 2 to be reported subsequently;**
 - (b) record that in his opinion the decisions made in (a) above are urgent in that any delay likely to be caused by the call-in process would result in service discontinuity and in accordance with the requirements of Scrutiny Procedure Rule 17(b) those decisions should not be subject to the call in process;**
 - (c) thank operators for the commercial declarations made during the course of the review in respect of various contracts;**
 - (d) receive and make decisions on the matters as set out in Annex 3 to this report.**

CMDT11E

STEVE HOWELL

Deputy Director for Environment & Economy - Highways & Transport

Background papers: Correspondence with Local Councils, Parish Transport Representatives, Transport operators and other bodies (refer to contact officers).

Contact Officers: Allan Field (Tel: Oxford 815826): Financial information.
John Wood (Tel: Oxford 815802): Wheatley, Thame, and Watlington area review and other services
Neil Timberlake (Tel: Oxford 815585): Review of grants for provision of locally organised transport schemes for people with mobility impairments.

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