

NEIGHBOURHOODS AND COMMUNITIES PORTFOLIO DECISION RECORD

2 June 2009

The meeting commenced at 1.30 pm. in the Civic Centre, Hartlepool

Present:

Councillors The Mayor, Stuart Drummond (in the absence of the Portfolio Holder))

Officers: Dave Stubbs, Director of Neighbourhood Services
Alastair Smith, Head of Technical Services
Mike Blair, Traffic and Transport Planning Manager
Paul Robson, Consultant Integrated Transport Unit Manager
Jo Wilson, Democratic Services Officer

73. Result of Tender for Supported Bus Services – *Head of Technical Services*

Type of Decision

Non key

Purpose of Report

To advise on the tendering results relating to supported bus service contracts from August 2009 and to seek approval to award to the successful tenderers.

Issues for Consideration

The Council provide financial support to a number of bus services including 'socially necessary' services which would not otherwise be provided on a commercial basis. The bulk of the supported bus contracts had in previous years consisted of one large block tender, a group of contracts provided at a discounted price. The current block contract was last tendered in 2007 and due to end on 23rd August 2009. Although the option of pricing as a single block was available to those companies tendering, each service could also be priced on an individual basis or on the basis of smaller blocks, giving the option of selecting a combination of blocks and individual tender prices in order to achieve the best value for money.

Details were given within the report of the services being tendered as follows:

- Services 516/517/524 – running between Tesco in Burn Road and Elwick / Dalton Piercy villages. This had previously been tendered as one service, however issues had been raised by the Children's Services Department regarding problems children from Hart Village and the surrounding villages were having getting to school on time. Reports had also been made that routes were regularly overcrowded on the return journey. To resolve these issues prices had been sought for both the current supported service utilising one bus and an enhanced service providing a separate bus for the school runs. Further funding had been made available through the Rural Bus Subsidy Grant in respect of the 516 service. This would allow an increase in the frequency of the service from a two hourly to an hourly service
- Service H1 – running between Hartlepool and North Tees Hospitals. This service was withdrawn at the end of March 2009 due to funding no longer being available from the NHS, PCT and Hartlepool Borough Council
- Services 1,6,7, and 7A – in 2008 Stagecoach had notified the Council of their intent to limit the running of these services on certain evenings. As a result additional funding was found through Cabinet to maintain these services for a further year in order that they could be included in the current tendering process. The additional cost was £79,621 for the year.

Eleven bus operators had submitted tenders which were opened at the Contract Scrutiny Panel meeting on 27th April 2009. The successful tender price for each service gave a total cost of £456,192, the current cost being £456,389 (including additional money provided by the Council to fund the evening and Sunday services withdrawn by Stagecoach). If all the tenders were accepted and awarded there would therefore be a budget shortfall of £47,286 for 2009/10. However if the H1 service were not awarded this would reduce the overall cost by £51,224, bringing the service back into budget.

The Mayor asked for assurances that the services would not be withdrawn at a later date. The Head of Technical Services advised that services could be pulled with a minimum 56 day notice period however improved links between the Council and the companies involved meant officers were confident they would be given more notice than this.

The Mayor expressed his disappointment at the previous withdrawing of the H1 service saying he felt it was grossly unfair that Hartlepool had been expected to pay the full cost of the service. The Director of Neighbourhood Services suggested that the service

be reinstated and the necessary funding be sought through other avenues. The Mayor indicated he would be happy to approve this but only if the service would be provided on a permanent basis, rather than piecemeal. Further discussion took place regarding the charging of fares for usage and it was reported that the tender was submitted on the basis of a fare being paid of approximately £2 each way

Decision

That the award of all supported bus service contracts as detailed in the report and appendix be approved.

The meeting concluded at 1:55 pm

P J DEVLIN

CHIEF SOLICITOR

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