



<b>TRANSPORT AND INFRASTRUCTURE COMMITTEE</b>	<b>AGENDA ITEM No: 2.9</b>
<b>04 NOVEMBER 2020</b>	<b>PUBLIC REPORT</b>

## **NEW PETERBOROUGH BUS SERVICE AND OTHER BUS PROJECTS**

### **1.0 PURPOSE**

- 1.1. This paper describes a proposed new bus route for Peterborough funded by Department for Transport (DfT) grant and updates the Committee on the initial bus trials to be funded through the Combined Authority's bus reform budget.

<b><u>DECISION REQUIRED</u></b>	
<b>Lead Member:</b>	<b>James Palmer, Mayor</b>
<b>Lead Officer:</b>	<b>Paul Raynes, Director of Delivery &amp; Strategy</b>
<b>Forward Plan Ref: N/A</b>	<b>Key Decision: No</b>
The Transport and Infrastructure Committee is recommended to:  a) Note and comment on the proposed Mayoral decision to fund a new bus service in Peterborough  b) Note and comment on the proposed Mayoral decisions on trialling new ways to achieve public transport integration.	<b>Voting arrangements</b>  Simple majority of all Members

### **2.0 BACKGROUND**

- 2.1. The Combined Authority has been allocated funding under the DfT's Better Deal for Buses scheme. On 9 September 2020, the Committee recommended to the Board that up to £1.2million of bus reform funding should be released for bus trial schemes over the next year. This paper sets out proposed allocations

of those funds.

#### Trial orbital bus service in Peterborough

- 2.2. Talks with Peterborough City Council's (PCC's) Transport Committee have established the wish for more orbital buses to reduce travel into and back out of Peterborough city centre. To explore and quantify the need, it is proposed to commission an orbital bus route linking parts of Orton and Hampton north direct to the City Hospital using the Parkway network to cut travel times; and south to the Serpentine Green shopping centre and superstore. It is thus routed to useful passenger destinations at both ends. If required, the bus can run via the unused Orton Southgate bus gate and extend to new developments in the Hampton area.
- 2.3. CPCA intends tendering this bus service, provisionally called route number 29. The service is intended to start trials as an hourly route running between the morning and afternoon school times, on five or six days a week.

#### Alternative options and why discarded

- 2.4. The choice of this service reflects consultations with a Peterborough City Council cross-party working group and the Portfolio Holder. Discussions with PCC rejected a bus service for Manor Drive Estate due to the lack of a bus turning circle; and rejected an off-peak Peterborough – Orton service as it is unlikely to carry many passengers. Discussions with residents suggest that using the Orton Southgate busgate would be unpopular – it was built 15 years ago and has never opened.

#### The estimated cost of supporting the service (after tendering)

- 2.5. Cost is estimated at £30-40,000 per annum. This is a tender for 5 (or 6) return journeys a day, on 5 (or 6) days a week.
- 2.6. The number of passengers expected to benefit Peterborough's population has grown rapidly in recent years and is now around 200,000. Once the 29 bus service builds up, it is expected to carry 6400 passengers a year.

#### The suggested cost of support per passenger

- 2.7. If the service costs around £40,000 per annum to run (based on 5 trips, 5 days per week) the support cost will be around £33,000. This works out at £5.15 per passenger.

#### Value for Money

- 2.8. £5.15 per head would be very close to the average subsidy per head for all CCC supported bus services, and therefore represents acceptable value for money.

2.9. Members are asked to note and comment on this new bus route in advance of the Mayoral decision to proceed.

### **3.0 Ticket machines**

3.1. Some bus operators in our area use very basic ticket machines which lack a lot of modern functionality. Without this technology, it is hard to evaluate the value for money provided by public subsidy and to deliver better data-based services to passengers. Proper ticketing data is a prerequisite for making progress to more effective ways of allocating public subsidy, such as quality partnerships or franchising. Good quality data delivers the following positive advantages:

- Accurate GPS data for bus passenger mobile phone apps
- Accurate GPS data for roadside/bus shelter “Next bus” sign
- Contactless card use available on all buses
- Auditability of concessionary pass use (ENCTS)
- Accurate measure of passenger numbers, punctuality, and reliability for small bus operators
- Through ticketing for integrated journeys
- Lower costs of data integration

3.2. If the Combined Authority simply required the use of this technology, however, we would be imposing a cost and a competitive disadvantage on smaller operators. The larger providers - Stagecoach, First, Whippet and Delaines - already use compliant ticket machines and represent 97% of the bus market. We therefore propose that the CA should buy ticket machines and rent them out to all operators who have not already obtained such machines. We would only purchase these on a call-off basis, against contracts, to minimise risk.

3.3. A business case is being written for this decision. Members are asked to note this work stream which will then proceed under Mayoral Decision within the delegation given by the Board in September 2020.

### **4.0 Demand Responsive Transport (DRT)**

4.1. There is a rapidly-developing market of digital platforms for plotting and running Demand Responsive Transport services. DRT is an extension of traditional ‘Dialaride’, but capacity is provided within minutes by diverting journeys already running to pick up intending passengers.

4.2. CPCA envisage that DRT might be combined with improved strategic trunk services like the new 905 at key transport hubs, to increase connectivity and give the travelling public far more choices about how they can travel by public transport. Given the new technology, this model needs trialling.

4.3. We are in talks with two providers to establish costs prior to potentially making a direct award for a pilot project – a normal procurement process would follow if aspects of the pilot were extended. This trial would run in part of Huntingdonshire for at least six months. Huntingdonshire has been selected

because it has a significant number of minimum cost contract services, currently tendered by CCC and from next April by CPCA, where the Authority bears the revenue risk. In other areas, where services are mainly fully commercial, there would be risk that DRT simply cannibalised commercial revenues and disadvantaged operators, with a risk of disputes and compensation claims. Therefore, we need to trial where there are fewer commercial buses and many supported services to provide a trial customer base. For the period of the trial, the DRT would be an overlay – the existing bus services would continue to run unaffected – although in the longer term, if we find passengers prefer DRT then some traditional supported bus services could be subsumed into DRT.

- 4.4. A detailed business case is being developed. Members are asked to note and comment on this proposal in advance of a Mayoral decision within the delegation given by the Board in September 2020.

## 5.0 Other trials

- 5.1. CPCA is considering further service developments in other parts of the Authority area and the Committee will be updated on these as they become ready.

## 6.0 FINANCIAL IMPLICATIONS

- 6.1. There are no financial implications. The budget for the new Peterborough bus route is provided by the government’s Better Buses Fund grant. The budget for trials was approved by the Board in September 2020.

## 7.0 LEGAL IMPLICATIONS

- 7.1. The services and products described in this paper will be procured under our standard tendering rules.

## 8.0 OTHER SIGNIFICANT IMPLICATIONS

- 8.1. There are no other significant implications.

## 9.0 APPENDICES

- 9.1 None.

<b><u>Background Papers</u></b>	<b><u>Location</u></b>
Draft minutes of Transport & Infrastructure Committee, 9 <sup>th</sup> September 2020.	<a href="#"><u>Draft minutes of Transport &amp; Infrastructure Committee, 9th September 2020.</u></a>
Transport & Infrastructure Committee paper, 9 <sup>th</sup> September 2020.	<a href="#"><u>September Committee paper</u></a>

CA Board paper, 30<sup>th</sup> September  
2020.

Better Buses Fund Grant Letter

[CA Board paper](#)

[Better Buses Fund Grant Letter](#)