



## **DECISION OF COUNCILLOR ELFAN AP REES**

THE EXECUTIVE MEMBER FOR STRATEGIC PLANNING, HIGHWAYS, ECONOMIC  
DEVELOPMENT AND HOUSING.

WITH ADVICE FROM  
THE DIRECTOR OF DEVELOPMENT AND ENVIRONMENT

**DECISION NO 16/17 DE 274**

**SUBJECT:** Local Bus Kick-Start Investments

### **Background:**

A procurement exercise has been undertaken for two projects, this includes the service 16 Section 106 kick-start investment and the North Somerset Inter-Urban Commercial Bus Network kick-start investment.

### **Section 106 Kick-Start Investment**

The 16 bus service in Weston-super-Mare, currently operated by Crosville, is funded through S106 Agreements associated with developments along certain parts of the route. The primary focus is the S106 agreements for the Flowerdown Retail Park and for the West Wick housing developments.

The current contract is due to expire at the end of March 2017. The S106 funding is also drawing to an end and there is a final sum of investment identified of £150,000. We therefore propose to invest the £150,000 on a kick-start scheme which would see the contracted service become commercially viable. It will be important to establish a commercially viable service, as no further funding will be available beyond this final investment.

An invitation to tender went live on Monday 5th December and we received submissions from First and Crosville, both of which were high quality in terms of service delivery. Following evaluation of the tenders **First** were deemed the preferred bidders.

- 15 minute frequency for West Wick with new links to Clevedon, Nailsea and Bristol.
- Hourly service to Locking Castle and Flowerdown Retail Park
- Extensive on-board facilities including, leather seats, free wifi, next stop announcements and Metro newspaper.

- Marketing and promotions package
- Ticketing offers and free trial period.
- Two year commitment.

### **Procurement results**

The tender submissions were evaluated based on the following agreed criteria:

#### Long Term Viability (35%)

- Business case – 15%
- Length of commitment to service – 10%
- Understanding the market – 10%

#### Route (35%)

- St Georges – 5%
- West Wick – 10%
- Locking Castle – 5%
- Flowerdown Retail Park – 10%
- Weston Town Centre – 5%

#### Vehicle Quality and On-Board Facilities (20%)

- Vehicle age – 5%
- Emissions standards – 5%
- On-board facilities – 10%

#### Marketing and Communications (10%)

- Marketing and Communications- 10%

The final evaluation scores are as follows:

- First - 76.25%
- Crosville (Proposal 1) – 73.75%
- Crosville (Proposal 2 – 70.00%

Our recommendation is to award the £150,000 kick-start funding to First.

### **Inter-urban Commercial Bus Network Kick-Start**

The aim of this project was to work with First to seek the full commercialisation of the key inter-urban bus network in North Somerset. This would include the current routes and journeys that are supported by the council and would ultimately remove the revenue funded contracts that we have with First across the core commercial network.

There are currently two key First routes that are supported by the council:

- X6/X6a Bristol to Nailsea to Clevedon to Yatton
- X5 Weston-super-Mare to Clevedon to Portishead to Cribbs Causeway

The above contracts have a total support of some £80,000 per annum and cover a number of supported sections of the wider network, including:

- The link between Nailsea and Clevedon
- The connection between Clevedon and the rail network at Yatton station
- Connections through Yatton village
- Bus services at Royal Portbury Dock

The introduction of a £240,000 kick-start investment would see a package of measures delivered with a target of commercialising the key sections of the network which are currently supported. The £240,000 investment, using funds from our reserves, would result in an MTFP saving of £80,000 from 2017/18.

Based on a total MTFP saving of £130,000 in 2017/18, the proposed kick-start funding would be returned over a two year timeframe.

An open invitation to tender went live on Monday 26<sup>th</sup> December, which invited proposals from all operators. We received one submission from First, summarised below:

- Continuation of existing commercial services X1-X9
- Extension of service X6A, renumbered as new service X7, to Weston-super-Mare to reinstate links to Yatton and Congresbury
- Complete rebranding of the North Somerset inter-urban network and re-livery of all 38 vehicles
- Extensive on-board facilities including, leather seats, free wifi next stop announcements and Metro newspaper.
- Ticketing offers and free trial period.
- Two year commitment

### **Procurement results**

The tender submissions were evaluated based on the following criteria:

#### Long Term Viability (25%)

- Business case – 15%
- Length of commitment to service – 10%

#### Service Provision (45%)

- Services 1-9 (5% each)

## Vehicle Branding and On-Board Facilities (20%)

- Network Branding – 10%
- On-board facilities – 10%

## Passenger Information (10%)

- Passenger Information - 10%

The proposal from First obtained an evaluation score of 86.25% and covers all aspects of our project objectives. Our recommendation therefore is to award the £240,000 kick-start funding to First.

## **DECISION:**

1. The £150,000 Section 106 kick-start funding is awarded to First based on the evaluation of the submitted tenders; and
2. The £240,000 kick-start funding for the North Somerset Inter-Urban Commercial Network is awarded to First based on the evaluation of the submitted tenders and the wider project objectives.

## **Reasons:**

### Section 106 Kick-Start Investment

The proposal submitted by First fulfils the criteria set out in the evaluation process and offers a commitment to provide the service for a minimum of two years. The proposal represents a significant improvement to local bus services in West Wick, as well as providing a number of new journey opportunities to other destinations such as Yatton, Clevedon and Bristol.

Similar enhancements on the Weston to Bristol and Portishead to Bristol corridors have shown a significant increase in patronage which supports council policy and priorities for promoting more sustainable travel.

### Inter-urban Commercial Bus Network Kick-Start

The proposal submitted by First fulfils the criteria set out in the evaluation process and offers a commitment to provide the services for a minimum of two years. North Somerset Council is looking to strengthen the core inter-urban commercial bus network which this proposal provides.

This approach builds on the successful kick-start projects that have been delivered within North Somerset in recent years. We have successfully invested in the inter-urban routes to Bristol from Weston-super-Mare, Portishead and Nailsea, with these corridors gaining significant enhancements such as new vehicles, luxury interiors, free Wi-Fi and increased frequency.

**Other Alternatives Considered:**

First have submitted a robust proposal which meets the criteria for the funding and has passed the evaluation process.

**Risk Assessment:**

A key risk would be the reputational damage should these projects lead to any loss of service on parts of the existing network after the funding period. We will work with the operator to ensure that the impact of this would be minimal.

**Financial Implications:**

The proposal is to be funded by S106 agreement for the land adjoining Flowerdown Bridge, Railway Triangle Bridge, Aisecombe Way, Weston-super-Mare. This includes a contribution towards Public Transport and the betterment on non-car transport systems to and from the site. The decision will have no impact on North Somerset Council revenue budgets.

The proposal is based on an MTFP savings project. The investment would be funded from reserves and would form a spend-to-save initiative which will result in a reduction in contract costs.

**Implications for Future Years:**

None- The funding is for one year, with the intention that the service is adopted commercially by the operator in subsequent years.

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Signed..... The Executive Member for Strategic Planning,  
Highways, Economic Development and Housing

Dated.....

**Confirmation of Advice Given**

Signed.....Director of Development & Environment

Dated.....