

Transport Directorate Leadership Team Approval Request Report



FROM: **BUS PARTNERSHIP & DEVELOPMENT MANAGER**

SUBJECT: **JULY 2024 SCHOOL BUS EXTENSIONS**

DATE OF MEETING: **30 APRIL 2024**

Key Decision paper	Report signed off for publication?	Officer Decision Form required?	ELB	CEX	Leaders	MCA	Approval/ Information
Yes	Yes	Yes	No	No	No	No	Approval

EXECUTIVE SUMMARY

Changes to the local bus network in 2022 and 2023, including with school bus services, has resulted in significant commercial cuts that would have impacted on passengers and the reputational risk to SYMCA if no action was taken. Contracts that mitigate the loss of services are in place until the end of the current academic year, and this paper seeks approval for longer commitments and award of contract extensions as set out in 2.1 and appendix A.

The decision by the MCA board on the 31 July 2023 was for SYMCA to maintain school bus services until July 2025.

This approval is the award of thirty eight (38) one year (September 2024 to July 2025) school bus contract extensions as set out in 2.1 and appendix A.

Approvals as detailed in 2.1 of this paper will be met by the tendered services budget. The costs are within the available budget for 2024/25 and 2025/26 with a total contract award value of £2,079,253.68. This represents an increase of 3.18% due to the inflation rate applicable for contracts, based on the change in the consumer price index (CPI).

Contract awards/extensions are secured directly from the Executive Director of Transport in consultation with the Director of Public Transport operations and the Head of Finance and as previously approved by the MCA Board for delegated authority.

This paper also highlights the upcoming risks in the 2025/26 and 2026/27 financial years due to uncertainty in funding from central government and changes in legislation that will require audio-visual equipment to be installed on services that could lead to further commercial cancellations.

**where decision sought is over £50k a Record of Officer Decision Form (RoODF) will be required to be completed and submitted to Democratic Services for publication within 3 days of the decision.*

1. **KEY DECISION**

Is it a Key Decision – **YES** (*transpose to box 7 of RoODF*)

If YES, has the decision been published on Forward Plan for min 28 days and report publicly published 5 clear days before decision **YES**
(*delete as appropriate)

2. **RECOMMENDATIONS** (*transpose to box 5 of RoODF*)

- 2.1. The Executive Director of Transport approves the award of the contracts as set out in Appendix A with a total contract award value of £2,079,253.68.
- 2.2. The Executive Director of Transport notes the risk to the tendered services budget and reputational risk for SYMCA for the 2025/26 and 2026/27 financial years due to the information provided in 3.5 to 3.10

3. **BACKGROUND INFORMATION** (*transpose to box 3 of RoODF*)

- 3.1 See the 18 September 2023 Public Transport Team paper, MCA paper (agenda item 15) and meeting minutes for further background information. This paper assumes the background and approvals in these papers are known and are not repeated.
<https://governance.southyorkshire-ca.gov.uk/ieListDocuments.aspx?CId=137&MId=1647&Ver=4>
- 3.3 These contracts were previously approved by the Executive Director for Public Transport on the 26 April 2023 or by the Director of Public Transport Operations. The contracts are due to expire on the 31 July 2024. The option to extend for up to two further academic years is included on these contracts.
- 3.3 Verbal update on service specifics will be provided if required.
- 3.4 Details of the specific contract awards detailed in 2.1 can be found in Appendix A.
- 3.5 The MCA board on the 31 July 2023 approved the committed funding for statutory and non-statutory school services until July 2025. However, the funding via the levy and covered by the service level agreement for school services has a cap of c.£1.7m per annum. Current school service costs are £4.68m per annum and are currently unbudgeted from August for the 2025/26 year and beyond.
- 3.6 Use of currently available DfT funding is supporting the bus network so that £21.5m per annum can be spent on local bus services, including school services, in 2024/25. With a base budget of £12m per annum any loss of DfT funding could require significant cuts to the tendered bus network if other funding sources cannot be found.
- 3.7 In addition to the budgetary pressures covered above details were released on 30 March 2023 on the need for bus services, including the majority of the home to school services in South Yorkshire, to provide audio-visual announcements:
<https://www.gov.uk/government/news/new-onboard-announcements-to-make-britains-buses-accessible-for-everyone#>
- 3.8 PSV Regs are here: <https://www.legislation.gov.uk/uksi/2023/715/contents/made>
- 3.9 Local commercial bus services, including home to school services in South Yorkshire,

will have to comply with these changes at various stages depending on the age of the vehicle in use. Due to a number of smaller operators unlikely to have the capital and cashflow available to achieve this, funding has been made available by central government <https://rtig.org.uk/aig>

3.10 SYMCA officers will continue to engage with local operators to understand the risks of further commercial cuts due to this new legislation.

4. OPTIONS CONSIDERED (transpose to box 4 of RoODF)

4.1. Do nothing (not recommended) – Do not award contracts and allow service de-registrations to take place and issues to remain. This would result in:

- some areas of South Yorkshire being without home to school services and is not supported/approved by the MCA Board on the 31 July 2023.
- capacity issues occurring on home to school services and local bus services that remain.
- gaps in service and poor connections for passengers travel to and from education.
- a poor customer offer and significant reputational damage to SYMCA

4.2. Do something (**recommended**) - As the home to school network is a key component of the South Yorkshire public transport network the retention of the services is essential to retain accessibility which would otherwise be lost at these times. Awards are within the limitations of the budget available and in line with the policy decision made by the MCA on the 31 July 2023.

4.3. Do most (not recommended) – Award longer duration contracts to maintain the service levels across the network beyond July 2025. This would require budget commitments beyond the proposed expiry of contracts and was not approved at the MCA Board on the 31 July 2023. A wider discussion and decision on funding priorities for 2025/26 is required.

5. IMPLICATIONS

5.1. CONTRIBUTION TO SYMCA BUSINESS PLAN DELIVERY

x	Promote the use of public transport and maximise patronage
	Make the most of new technology to improve public transport services
	Work with partners to reduce the impact public transport has on Air Quality and the Environment
x	Get the best return for the region from our investment in public transport

5.2. RISK

Associated Risk Reference(s) from risk register

Describe existing or new risks as a result of this paper and any mitigations which are available.

- | |
|--|
| <ul style="list-style-type: none"> • Further commercial deregistrations of services would require additional funding. |
|--|

- Priority of funding for tendered services from 2025/26 needs to be made with potential reductions to services if the budget is not available.

5.3. FINANCIAL (Transpose to box 12 and 13 of RoODF)

Existing Budget
 No Budget
 No Financial Implications

Budget code to be used to fund:	0202-02009-0000000-0000			
If capital, specify capital funding source available:	£n/a			
If virement specify which budget code:				
Have Finance been consulted?	Yes	X	No	
Person contacted in Finance	Geoff Taylor			
Date Finance consulted	22/04/2024			

5.4. LEGAL AND FREEDOM OF INFORMATION ACT (Transpose to Box 12 of RoODF)

Y N

Does the report contain information which is potentially exempt from the Freedom of Information Act?

Are there any exceptions to Standing Orders which need approval?

Other Legal Implications

Description of any implications if box ticked:

Relevant approvals in 2.1 are as per the SYMCA contract procedure rules for supplier direct award:

- Bus service subsidy contract awarded in accordance with either the de-minimis or urgency provisions of the Transport Act 1985 and/or EU Regulation 1370/2007, as incorporated into UK law by UK Regulation (EC) No 1370/2007 (Public Service Obligations in Transport) (Amendment) (EU Exit) Regulations 2020.

5.5. INFORMATION TECHNOLOGY IMPLICATIONS

Have IT been consulted on the proposals in this paper and do the recommendations require amendments or new IT software systems or infrastructure?

Yes
 No

If yes, please describe:

5.6. GENERAL DATA PROTECTION REGULATION

Y N

Does the paper have implications for the handling, transfer, processing or management of customer or other personal data?

Is there a requirement to conduct a Privacy Impact Assessment? If so, please include as an appendix.

Data retention requirements

Other Data implications

Description if any box ticked:

5.7. HUMAN RESOURCE IMPLICATIONS

Have HR been consulted on the proposals in this paper?

Yes
 No

Does the paper have implications for any of the following;

Individual job roles/responsibilities/grades Resources
 Skills requirements, e.g. training needs Policies and procedures

5.8. EQUALITY AND DIVERSITY (*Transpose to box 12 of RoODF*)

Does the paper have implications for any of the following;

Age Disability
 Gender Gender reassignment
 Marriage and civil partnership Religion or belief
 Pregnancy and maternity Race
 Sexual orientation

Is an Equality Impact Assessment (EIA) needed	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>
No EIA required as approval is for retention of services or provision of additional services.				

5.9. COMMUNICATIONS AND STAKEHOLDER MANAGEMENT

Does the paper have implications for any of the following;

Stakeholders Internal communications
 Media and Press (including reactive communications) Marketing plans and campaigns
 Mayoral activities (presenting either a risk or opportunity) No communications and stakeholder implications

If the paper has Mayoral implications, consider if a Mayoral Briefing Document is required.

5.10. ENVIRONMENTAL STRATEGY IMPLICATIONS

Do the recommendations in this paper change SYMCA environmental impact?

- | | |
|-------------------------------------|-----|
| <input type="checkbox"/> | Yes |
| <input checked="" type="checkbox"/> | No |

If yes, please describe:

5.11. CHANGE MANAGEMENT IMPLICATIONS

Does the paper result in any significant change management activity;

- | | | | |
|--------------------------|--|-------------------------------------|--|
| <input type="checkbox"/> | A Business Case is required to proceed | <input type="checkbox"/> | A Project Initiation Document is required to proceed |
| <input type="checkbox"/> | Managed through BAU change activities | <input checked="" type="checkbox"/> | No change management implications |

Describe the scale and complexity of any change management activity which would result following the approval of any recommendations in the document, including necessary decision making and approval requirements and documentation to proceed.

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