

Scrutiny report



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Demand Responsive Transport

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Background

In 2020, due to the unprecedented situation we found ourselves in with COVID-19 impacting on revenue and the high cost of funding supported services, we took the bold decision to change the way supported services were provided in Milton Keynes.

Many authorities have cut services in response to budget pressures, with 3,000 services being withdrawn in the last 10 years. Instead, we sought to provide a better value for money solution.

As such a delegated decision was taken to move from fixed bus routes which served only parts of Milton Keynes at a cost of £2.9m, which was set to increase substantially over the next few years, to a demand responsive service at a cost of £1.6 million, which serves all residents outside of 400m (distance reduced for disabled users) without access to a commercial bus route.

A small number of routes which served key strategic purposes, such as the cross boundary 33/33a were retained bringing the total cost in 21/22 to £1.9 million.

The change in services took place on 1 April 2021, with the decision originally taken in September 2020. The decision was scrutinised at Strategic Placemaking Scrutiny Committee (SPSC) after being called in. A 6-month review will be presented to SPSC in January 2022.

Funding for the service comes from S106, Tariff, Bus Service Operators Grant (while awarded) and £600,000 from internal budget.

Update

The service is now carrying around 900 passengers a day during the week and completes around 20,000 trips a month, accounting for about 4% of all public transport journeys. Demand does at times exceed capacity and the service continues to seek to resolve this – this is due to national issues with recruiting drivers in the main. Additional vehicles are also required but this is not a significantly limiting factor.

Public Transport recovery is at about 60% overall, and pre-COVID-19 supported services accounted for around 10% of journeys at most times (Max 14% over a 12-month period). As supported services carry a higher percentage of concessions we would expect recovery to be slower on these, and given the demand levels recovery is progressing much in line with expectation on MK Connect.

An additional 6 vehicles have been secured since the beginning of the contract taking the fleet to 24 vehicles.

New drivers are being recruited and onboarded all the time, but not as quickly as would be ideal, due to national shortages.

Some drivers make use of their own taxi vehicles at very busy times, so on occasion minicab and black cab vehicles are used to supplement the fleet. MK Connect logos are provided. MK Connect drivers are paid for their shift rather than per trip so there is no extra expense associated with this for the Council, or the supplier and drivers do not lose out financially.

There are a number of features of the MK Connect service that differentiate it from taxi's, such as the lack of advance booking, and MK Connect only providing door to door service to users registered as having a disability, as well as the potential for MK Connect to divert and pick up additional passengers. This is deliberate to not compete with taxi's.

Officers are meeting with the supplier during October and November 2021 for an in-depth review of the delivery so far, which will include any proposed changes to the parameters of the service.

Concessions

While DRT currently falls outside of the English national concessionary travel scheme (ENCTS), the use of ENCTS and youth concessions are permitted on the service and are reimbursed on the same basis as for other operators so they do not represent any additional cost pressure to MKC.

Contract Costs

The contract is on a fixed cost basis for three years, increasing in line with consumer price index. Cost is fixed regardless of demand and the need to introduce additional vehicles or drivers to the system. The original price was based on the need to flex the fleet size with demand.