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Minutes of the meeting of the STRATEGIC PLACEMAKING SCRUTINY COMMITTEE held on TUESDAY 24 NOVEMBER at 7.00 PM

Present: Councillor P Geary (Chair)
Councillors Bint, K Bradburn, Crooks, Gilbert, Legg, Long, Petchey, Priestley and Trendall

Apologies: Councillor McPake (substituted by Cllr Trendall)

Officers: S Proffitt (Director Environment and Property), A Wearing (Strategic Lead Transport and R Tidman (Committee Services Manager)

Also present: Councillor Townsend and two members of the public

SP16 DISCLOSURE OF INTEREST

None

SP17 NOTICE OF INTENTION TO HOLD THE MEETING IN PRIVATE

That the public and press be excluded from the meeting by virtue of Paragraph 3 (Information relating to the Financial or Business Affairs of the Authority) of Part 1 of Schedule 12A of the Local Government Act 1972 if Annex B of the report was debated.

SP18 THE INTRODUCTION OF A DEMAND RESPONSIVE TRANSPORT SERVICE

Witnesses: Cllr Townsend (Cabinet member for Community Safety), S Proffitt (Director Environment and Property), and A Wearing (Strategic Lead – Transport)

The Cabinet member for Community Safety introduced the item setting out that this was an invaluable opportunity to help shape the specification for the procurement of Demand Responsive Transport (DRT) in Milton Keynes. The Strategic Lead for Transport went through her presentation outlining the plans for the introduction of DRT in Milton Keynes including the background, implementation plans, scope and finances.

The Committee heard from the Chair of the MK Bus Users Group (MK BUG) who outlined that they had been included in the working group to help develop the draft DRT service specification and noted that this had been a collaborative process completed under tight timelines. Replacing subsidised services with DRT was an experiment which was worth taking but should not be seen as an option to replace bus services where there was significant demand. The Vice Chair of MKBUG also commented that they had concerns that too many bus services including core services could be replaced by DRT services. MK BUG sought assurance that certain key routes would be retained as fixed bus routes on key corridors until such time they are upgraded to mass rapid transit routes.

In response to questions the Committee noted that:

- (a) There would be several ways to book the service that would also meet the needs of the elderly or more vulnerable users including smartphone, website or landline/mobile;
- (b) This would not be a door to door service so was not in direct competition with private hire vehicles and would be secure as drivers would not know a person's address;
- (c) It was important that consumer insights were fed into the implementation of the service including understanding what do Milton Keynes bus users want or need.
- (d) Officers have also had feedback on lessons learnt from other places who had introduced DRT;
- (e) There seemed to be issues that still needed to be resolved with regards to access for pushchairs and wheelchairs but this would be clarified once the winning tenderer submitted their vehicle specifications;
- (f) Tickets would be able to be purchased over the phone, via the App and by the MK Move smart card. Officers were also exploring options for using cash;
- (g) The introduction of DRT was a once in a generation opportunity to achieve modal shift and potentially more engagement was needed with car users to encourage this group to use this as a transport option;
- (h) The specification should be much more outcome focussed on what we want to achieve not focussed on the number or mix of vehicles for example;

- (i) The system would not cater for pre-bookings. However, group bookings would be available and the system would learn if there were bookings being made at a regular time/day and respond to these;
- (j) The expectation was that even though these would be smaller vehicles than commercial buses they would not generally go down minor estate roads but this would be balanced with not making people walk to far;
- (k) The successful tenderer should be aware that they would need to get the introduction of this service right and fast;
- (l) The introduction of the 28 route as a DRT service within a short period of time had led to learning several lessons about communication, promotion and the importance of getting citizens involved in feedback whether this was complaints or suggestions and responding to these;
- (m) There was concern as to how people who arrived at for example the station or the Coachway would know how to use the system therefore information at key entry points or possibly smart kiosks would need to be available;
- (n) It was important the Council encouraged the successful tenderer to use the best up to date employment practices and driver standards;
- (o) The Council was yet to get a response from the Secretary of State for Transport about funding support from the DfT for innovative approaches such as DRT over the complete withdrawal of supported services;
- (p) The Council had submitted a bid to the Rural Mobility Fund which if successful would be used to support delivery of the service in the rural area. Any additional funding that was available from central government would provide the space to explore creative options such as season passes or a visitor carnet;
- (q) The purpose of the DRT service was not to undermine commercial bus routes but that if demand was increased for public transport this could lead to a route being taken up as a commercial service;
- (r) The client function has not been done historically very well by the Council and getting this right would be very important in ensuring the success of the introduction and implementation of the service;

- (s) The scheme covers the whole of Milton Keynes and properties in outlying rural areas would be serviced by the vehicle pulling up on the nearest part of the highway and in some instances the 400m walking distance may be increased for example if houses were down long driveways;
- (t) If there was a higher ridership than anticipated or there was fluctuations in demand than the operator could add vehicles to the fleet within a reasonable time as they are likely to be leased. Operators would be asked to submit a plan as to how they would deal with sudden drops or increases in patronages;
- (u) If the service seemed to be outgrowing DRT then there were options as to how the service could be operated to maximise vehicle use; and
- (v) The DRT working group had evolved to include technical and communication subgroups and there could be the option that a future meeting of the Committee could be held to review how implementation was proceeding.

The Committee moved into the public exempt session to discuss in more detail the information in Annex B of the report including the following:

- (a) The modelling exercise was carried out during the first lockdown period (June/July) and patronage levels were approximately 20% of pre-covid levels. It was anticipated that by the end of 2020 demand would have risen to 60% of pre-covid levels however they remain at about 40-45%. The industry expectation was that we would return to only 80% of pre-covid levels and anything more than this would come from new users to the service;
- (b) Tenderers would be provided with the last 12 months of ridership data and it would be up to them to be flexible about their delivery plan;
- (c) Ticket prices would be controlled by the Council and from the 1 April 2021 would be £2.50 for off peak and £3.50 for peak as well as offering concessionary fares;

- (d) The Council may be being too pessimistic with their ridership figures and it may be that people who would have used a private hire vehicle may use DRT instead. Unlike private hire this service was not door to door, could not be pre-booked and would be a shared vehicle so it may not appeal as much to those that would usually use a private hire vehicle;
- (e) For those that needed to attend appointments or needed certainty in their arrival time at a destination, they may need to allow extra time for their journey however there would be controls in place so for example an extra 10 minutes couldn't be added to a 20-minute journey;
- (f) It was possible to operate a profitable, commercial DRT scheme but you could not do that and offer concessionary tickets for example. You could increase ticket prices which would reduce the subsidy and possibly the patronage but as a local authority we have other responsibilities and need to offer a balance;
- (g) The main aim of introducing DRT is to reduce costs. If tenders are more than anticipated the situation would need to be reviewed with the finance team and the Cabinet member. However, a lot of work had been done on the modelling and the specification to ensure that it would meet expectations; and
- (h) There would be a number of KPI's with financial penalties attached to the contract and these would be strengthened further in this procurement process.

RESOLVED –

1. That the Cabinet member and officers be thanked for their presentation and their contribution to the Committee's scrutiny of this item.
2. That the Director of Environment and Property be requested to provide a written update to the Committee, prior to the service launch, setting out what customer insights will be used and how these will be fed into the communications strategy.
3. That the Cabinet member and Director Environment and Property be asked to ensure that they take account of the following comments made by the Committee when it comes to finalising the contract specification and implementation plans:

- (a) That the contract specification should be outcome focused;
 - (b) That officers should have a strong focus on the importance of an effective client function to ensure the success of the DRT service;
 - (c) That the highest standard of driver welfare and employment practices be adopted by the successful tenderer;
 - (d) That officers continue to explore all available options for purchasing tickets including seasonal and visitor tickets;
 - (e) That officers continue to explore how information on using DRT can be made available at key entry points and online for residents and visitors to find out how to use the service;
 - (f) That officers continue to explore accessibility issues such as push chairs and cash options;
 - (g) That the impact on the private hire industry be constantly examined to stop damage to that industry and to ensure there is enough capacity in the new system;
 - (h) That the criteria used to assess performance should be robust enough to ensure proper enforcement of quality in the service, particularly waiting times;
 - (i) That officers provide 18 months passenger information and direct tenderers to be aware that new patronage may be drawn to the service from groups that were not previously bus users; and
 - (j) That officers engage with the driving community to see how car use could be reduced by the service.
4. That a letter be sent to the Secretary of State for Transport, copied to the local MP's, setting out the Committee's view on the importance of subsidised transport and seeking additional funding for the DRT scheme in Milton Keynes.

THE CHAIR CLOSED THE MEETING AT 9.32 PM

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