

Bath & North East Somerset Council		
MEETING/ DECISION MAKER:	Cllr Clarke, Cabinet Member for Transport	
MEETING/ DECISION DATE:	On or after 20 <sup>th</sup> March 2017 (for single Member decision)	EXECUTIVE FORWARD PLAN REFERENCE:
		E 2950
TITLE:	Passenger Transport Vehicle Replacement	
WARD:	All	
AN OPEN PUBLIC ITEM		
List of attachments to this report:		
None		

## **1 THE ISSUE**

- 1.1 This report outlines the strategic requirement to replace the existing and aging Passenger Transport fleet vehicles. The Passenger Transport Service runs an internal fleet of vehicles to support Home to School, Special Educational Needs and Disabilities (SEND) transport and Social Services transport requirements, operating Bath dial-a-ride and carrying out other roles as required.
- 1.2 To fulfil these roles, suitable accessible vehicles are required. The vehicles in the Passenger Transport fleet are now between 6 and 14 years old and this is resulting in age related maintenance issues and mechanical breakdown.
- 1.3 Additionally, the current vehicles are not low-floor and their high steps cause difficulties for children and people with limited mobility who comprise the majority of the clientele.

## **2 RECOMMENDATION**

The Cabinet Member is asked to;

- 2.1 Approve the commencement of the procurement of replacement vehicles by
  - (1) granting full approval of £180k capital budget expenditure in financial year 2016/17 to replace 2 vehicles as specified below and;
  - (2) granting full approval of £360k capital budget expenditure in financial year 2017/18 to replace a further 4 vehicles as specified below.

- (3) Agree that future year requests will return for further approval as exact vehicle specifications are decided in light of service changes under the Strategic Review.

### **3 RESOURCE IMPLICATIONS (FINANCE, PROPERTY, PEOPLE)**

- 3.1 The funding required for the replacement vehicles is included in the current capital program as a provisionally approved item. The investment is funded through service supported borrowing and the required provision for this is within the current Passenger Transport budget.
- 3.2 The project will be managed by Passenger Transport Service's staff with input from Fleet Services where required. The Bath and North East Somerset Council Bus and Coach purchasing framework developed in conjunction with The Procurement Partnership Ltd (ref FMWK 02/2013) will be used to procure the new vehicles to ensure the best value is obtained.
- 3.3 Maintenance costs for the replacement vehicles are incorporated within existing revenue budgets in accordance with the requirements to maintain and certificate all PCV vehicles for compliance with "o" Licence and safety requirements. We are required to hold a public service vehicle (psv) "o" or operator's licence to operate a vehicle for hire or reward that can carry 9 or more passengers. The licence sets out a number of requirements including maintenance schedules, driver records requirements, accessibility requirements and depot requirements. As a vehicle operator, our drivers may be stopped at the roadside by the police or the Driver and Vehicle Standards Agency (DVSA) for vehicle inspections to ensure compliance as well as inspections at our depot. Failure to comply with "o" licence requirements can result in the suspension or loss of the "o" licence which would prevent the Authority from operating psv vehicles and delivering the statutory services directly.
- 3.4 The proposed upgrade of the vehicles is not anticipated to increase maintenance budgets and any increase will be funded out of existing service budgets. Furthermore manufacturer's warranties will be in place on the vehicles for the initial period of ownership.

### **4 STATUTORY CONSIDERATIONS AND BASIS FOR PROPOSAL**

- 4.1 The Council has a statutory duty to provide transport for children if they meet various criteria including distance from school, hazardous routes and special educational needs. Statutory considerations include the Education and Inspections Act 2006 and the Equality Act 2010. The type of transport and manner of the transport is not defined but must be suitable.
- 4.2 An Equalities Impact Assessment has been undertaken for the purchase of the vehicles and no specific adverse impacts have been identified.
- 4.3 In light of the Air Quality Management Areas in Bath, Keynsham and Saltford, any vehicles that are purchased must have diesel engines of the newest Euro standards (Euro 6) for air quality in order to reduce emissions in line with the Councils commitment to reducing pollution. Euro 6 compliance was implemented for new buses from January 2014 and other classes from September 2016.

### **5 THE REPORT**

- 5.1 The Council has a statutory duty to provide transport for children if they meet various criteria including distance from school, hazardous routes and special educational needs.
- 5.2 A child is entitled to free transport if they can't walk to school because of their special educational needs and disabilities (SEND) or mobility problem. It doesn't matter how far away they live.
- 5.3 A 31% increase in pupils with SEND requiring transport together with a shortage of suitable accessible vehicles available from local contractors has increased the demand on the internal fleet. This promotes a renewed emphasis on the internal fleet remaining fit for purpose to assist the Council in meeting its statutory requirements.
- 5.4 The passenger transport buses and minibuses were last replaced six years ago. However, as at the time the funding available was not of a level to replace all vehicles so some older vehicles are still retained within the fleet, causing some service delivery issues as they become older and more unreliable.
- 5.5 As part of the "Getting from A to B" strategic review of transport, the demands on the Passenger Transport fleet has been reviewed due to a rationalisation of the work that was being undertaken. The service has now refocussed on core business requirements for Home to School transport and as a result the internal fleet will undertake additional home to school routes for pupils with SEND requiring sufficient vehicles of a suitable standard.
- 5.6 The fleet and the longer term vehicle replacement plan is set out below. All requirements beyond financial year 2017/18 will be subject to review and further Single Member Decision but are included within the report for clarity:

(1) Replacement vehicles to be approved through this report:

- a) Peugeot Boxers x 6 (2x in Financial Year 2016/17 and 4x in Financial Year 2017/18) - these vehicles are reaching the end of life and are facing major mechanical issues. Although these have tail lifts (so are wheelchair accessible) they are difficult to access for older and/or disabled walking passengers. It is proposed that replacing these with low floor minibuses would provide greater flexibility and future-proof the fleet as it has been proposed by the government that all future accessible PSVs are to be low floor.

(2) Longer term replacement needs to be agreed in the future

- a) Mercedes Sprinters - in better mechanical condition than the Boxers, however they are not wheelchair accessible. As with the Peugeot's it is proposed to replace these with low-floor vehicles but the urgency to replace is lower, and can be delayed to 2018/19.
- b) Mercedes Varios - wheelchair accessible but, as with the previous 2 examples, should be changed to low floor upon replacement, however these replacements can be split over 2018/19 and 2019/20
- c) Optare Solos – These are low-floor and are in good mechanical condition. It is therefore proposed that these are not replaced until 2020 – 2022.

- d) Peugeot 807s – These vehicles are not accessible and have limited use. By replacing these with wheelchair accessible cars the internal fleet would be able to carry out a range of social services work that is currently contracted out at high cost due to low availability in the corporate sector. However, as they are mechanically sound at the moment, this can be delayed to 2019 – 2021.
- e) Citroen Berlingo – In suitable mechanical state and used for non-passenger transport work (such a delivering Councillor mail). The replacement for this vehicle can be postponed to 2021/2.

5.7 As a result of the new managed replacement plan, we will be in a position to arrange for the future replacement of the fleet to be spread out over a 7 year period and therefore negate the issue of having a large number of vehicles of exactly the same age in the fleet. Furthermore this ensures that we are more flexible in the future to adapt in line with any further changes that come forward.

## **6 RATIONALE**

- 6.1 The need for transporting the entitled pupils is set out within statute. The Lack of alternative solutions due to the scarcity of accessible vehicles within the private sector increases the risk of the Council failing to meet its statutory duties. Where suitable vehicles are available via contractors in the open market, the cost is currently restrictive.
- 6.2 Failure to provide the transport as required would leave the Council at risk of significant Central Government interest and censure and reputational damage as well as negative press locally. The educational development of the entitled pupils will be affected if the inability to provide transport is for an extended period.
- 6.3 Therefore to ensure both service provision and best value for money a replacement program is needed to ensure the vehicles used for transporting vulnerable children and adults are both reliable and safe.

## **7 OTHER OPTIONS CONSIDERED**

- 7.1 Keep maintaining the existing fleet – This was rejected as Fleet Services charge additional management costs on over-age vehicles. As well as the higher maintenance and running costs on older vehicles there is an increased risk of break down and associated service failure resulting in the Council failing to meet its statutory duties.
- 7.2 Hiring vehicles – This was rejected as the Council has a position of owning vehicles rather than hiring as owning vehicles is more cost effective in the long run.
- 7.3 Contract (outsource) work to commercial operators – This option has been rejected as there is a lack of availability in the market which results in high costs of appointing commercial operators for accessible vehicles.
- 7.4 Procure Electric/hybrid powered vehicles – This option has been rejected at this time as currently, the cost differential between diesel and electric buses is too high for this to be a realistic option. However, moving forward, as technology improves and prices reduce, this may be considered for future vehicle replacements as part of the rolling programme. Consideration will be given to

using any other funding streams that may become available to offset the costs including funding from the Office of Low Emission Vehicles.

- 7.5 Procure Gas powered vehicles – There is an industrial gas main at Locksbrook Road, but we would have to build a filling station in the work shop at a cost of approximately £175,000. The buses currently available are manufactured by M.A.N. and are reliable, however the smallest bus is 12 metres long, costs approximately £250,000 and would be too big for many of our rural locations. Therefore due to the prices and possible installation costs, this option is not considered.

## **8 CONSULTATION**

- 8.1 The business case and provisional approval for the replacement of the fleet vehicles was agreed by the Divisional Directors Group on the 12th December 2016.
- 8.2 The Council's Strategic Director of Place, Head of Legal Services and Monitoring Officer and Section 151 Officer have had the opportunity to input to this report.

## **9 RISK MANAGEMENT**

- 9.1 A risk assessment related to the issue and recommendations has been undertaken, in compliance with the Council's decision making risk management guidance.

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<b>Background papers</b>	<i>None</i>
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