

Essex County Council
Cabinet Office
County Hall
Chelmsford
Essex CM1 1QH



Mr S Tautz
Democratic Services Manager
Epping Forest District Council
Civic Offices
High Street
Epping
Essex, CM16 4BZ

29 May 2018

Dear Mr Tautz

Passenger Transport – Local Bus Services

Thank you for your letter of 24 April 2018 about bus services in the EFDC area the tone and content of which I have noted. It is always difficult when a member of one Authority is summoned to appear before the scrutiny committee of another and whilst I would always be please to share information, the implication of an adversarial meeting is not conducive to that.

Notwithstanding that, I regret that I will not be able to attend the scrutiny meeting to be held on the 4th June as unfortunately in moving the date it now clashes with other commitments I have on that day. However, I thought it would be useful to answer your specific questions ahead of the meeting and you will find this information attached.

I also thought it would be useful if I set out some of the context.

Around 85% of the bus network in Essex is operated commercially. So routes, timetables, fares etc are set entirely by commercial operators. The Traffic Commissioner is the regulator for registration of routes and for operator licensing. ECC has no statutory regulatory role at all. Therefore while we work in partnership with the operators, we have no role at all in the operation of the vast majority of the network.

ECC does invest significantly in local bus routes in Essex. Taxpayers support around 15% of the network at a cost to them of around £8m a year. This is a significant investment. Most county councils provide around £2-£3m of local bus funding and some none at all. This is discretionary spend and ECC also support community transport schemes across the county at a taxpayer cost of around £1m.

There are also two significant statutory budgets. Concessionary travel for older people and those with a disability is supported across Essex at a taxpayer cost of around £18m. Home to school travel for entitled children is provided at a taxpayer cost of around £23m.

Travel by bus has declined slowly nationally and in Essex – although more slowly and less severely in Essex. Essex is a challenging environment in which to run services, because of its geographic scale and its largely rural nature. Delivering bus services cost effectively remains an ongoing challenge. We are currently refreshing our strategy for supporting as wide a network as possible across Essex in challenging financial circumstances. This includes working closely with commercial operators and looking at the specific issues in localities.

We recognise that communities value their bus services. But we rely on people using services to make them sustainable. Without usage, commercial services are withdrawn and for supported services the cost to the taxpayer becomes prohibitive. We need more people using our bus network to ensure it will continue and hopefully thrive. This is the fundamental issue we face. If more people used the network we would not see the reductions in service that we have seen in some areas.

To increase bus patronage we need the partnership and support of many partners, including district councils. District councils have a particularly important role to play in the following areas:

- through their role in planning, ensuring that bus options are considered at an early stage in developments and that associated funding such as S106 is used to support sustainable long term outcomes;
- through their role in providing and pricing off-street parking provision, ensuring that capacity and cost support more sustainable travel options;
- engagement with business, ensuring local business understand the value that bus passengers bring to the local economy and are supportive of bus travel;
- engagement with local communities, ensuring that the local community are supporting their bus services routinely, not just when low usage raises the possibility of withdrawals.

I look forward to hearing your views on these opportunities.

Yours sincerely



Cllr Ray Gooding
Cabinet Member for Education and Skills
and Passenger Transport

EFDC SCRUTINY QUESTIONS

Q1: The total budget of Essex County Council for the support of local bus service across Essex and the amount currently allocated to the support of services operating within the Epping Forest District or serving its residents.

A1: The total bus budget is £8.3m. Epping Forest contracted services alone cost £722,542.77. Epping Forest Community Transport scheme receive £70,645.10 from a Community Transport budget of around £1.1m.

Q2: The level of contracted local bus service provision by the County Council, currently operating within the Epping Forest District or serving its residents and details of such routes).

A2: The attached lists all ECC supported services in the Epping Forest area

Q3: The level of otherwise financially supported local bus service provision by Essex County Council, currently operating within the Epping Forest District or serving its residents (and details of such routes.)

A3: All supported local bus routes are included in the answer above.

Q4: The amount of the total budget of the County Council for the support of local bus services across Essex, that is spent on concessionary travel and bus passes etc.

A4: The total concessionary fares budget was £18.2m last year, and is the same for this year.

Q5: The plans of the County Council for future changes to local bus services that operate within the Epping Forest District or serve its residents.

A5: Most supported local bus services are under contract until 2020 and we will review those and consult on any changes next year. Contracts for evening and Sunday services are due to expire in March 2019. We will consult on the future of these services in due course. Of these services only three contracted services in the EFDC area are affected. We have no control over changes to bus services that are operated by commercial bus operators.

Q6: The financial or other constraints faced by the County Council that affect its support of local bus service provision.

A6: Like all local authorities ECC comes under increasing financial pressure from a reducing revenue support grant and increasing demand for its statutory services, like adult social care. Spend on local bus is discretionary – there is no statutory requirement. ECC is, of course, required to prioritise its statutory budgets, hence there will always be significant pressure on discretionary spend. There are additionally ongoing pressures from changes made to the commercial network as operators seek to continue to run services commercially against a decline in patronage overall. There is also a complex legislative framework in which services are delivered. For example, the Department for Transport has just carried out a consultation regarding the use of S19/S22 permits which could have significant impacts on our Community Transport schemes and the services they deliver.

Q7: The County Councils future funding arrangements for the support of local bus services that operate within the Epping Forest District or serve its residents.

A7: The timetable for the end of contracts and the preceding review and consultation process for supported services is set out above.

Q8: The cost to the County Council of a single older persons bus pass.

A8: The cost of the concessionary pass is commercially confidential. It can be shared in confidence with the scrutiny panel if they so wish.

Q9: The arrangements of the County Council for modelling of need for the provision of local bus services across the County.

A9: ECC regularly review the network. The last reviews were in 2015 and 2016 to advise those tender rounds. A range of criteria are taken into account, including demographic information, access to services, alternative travel options, value for money, passenger journey data and affordability.

Q10: The value for money derived from local bus services that are contracted or financially supported by Essex County Council.

A10: ECC has a long standing taxpayer value for money test of £5 per passenger journey. This means that where the cost of a supported service to the taxpayer is over £5 per passenger journey there is a consultation on the withdrawal of that service. In broader value terms, the value of the supported bus network is estimated by DfT in 2016 as providing £2.50 of economic, social and environmental benefit for every £1 invested. That means for an investment of £8.3m in supported local bus the return is over £20m in benefits.

Q11: The arrangements of the County Council for the promotion of local bus services as a more sustainable alternative to other forms of vehicular transport.

A11: ECC's Sustainable Travel team work with schools, employers, developers and other stakeholders to promote more sustainable means of travel. Details of this can be found within their Sustainable Modes of Travel Strategy. Working alongside other departments within the organisation, and contributing towards supporting the commercial network through measures such as improved bus infrastructure; improved digital information – for example real-time and bus tracking; and securing S106 investment to kick-start commercial services in new developments.

Q12: The general standards expected by the County Council of contracted or financially supported services, in terms of the reliability, roadworthiness and cleanliness of operational vehicles.

A12: Statutory punctuality and roadworthiness requirements are set by the Traffic Commissioner as part of the operator licensing regime. ECC sets vehicle standards for its own contracts. These, and punctuality, are measured through the contractual KPI's. The attached document is an extract from Local Bus terms and conditions of contract.

Q13: The requirement of the County Council for the provision of seat belts on contracted local school transport services.

A13: The long standing position of ECC is to require operators to provide seatbelts in accordance with the legal requirements. Contracts state:

1.30 Seat Belts must be provided and used, where the law requires and in accordance with the Road Vehicles (Construction and Use) Regulations 1986 and the Public Service Vehicles (Carrying Capacity) Regulations 1984. Except that the Contractor shall not calculate the capacity of the said vehicle(s) by reference to Clauses 5, 6 and 7 of the Regulations. All vehicles used for transporting Primary school children must be fitted with seat belts.

1.66 The carriage of passengers in special seats should be undertaken in accordance with the Department of Transport Code of Practice entitled: Seat Belts and Child Restraints or any subsequent guidelines issued. The Contractor shall carry out regular checks to ensure the seat is fitted in the vehicle correctly, the right size for the passenger and maintained to a reasonable standard.

Q14: The arrangements of the County Council for the identification of new bus service routes (i.e. does the County Council determine where a service is need and go out to tender or do operators propose routes to the County Council).

A14: The majority of services are provided by the commercial network and operators will make decisions on new routes based on their assessment of commercial viability. ECC assess new demand at the review and consultation point for supported services. Additionally ECC look to identify areas of new development where S106 funding might be used to support the development of a commercial service.

Q15: The effectiveness of the County Councils Bus Strategy and associated Priority Policy.

A15: The Bus Strategy was adopted in 2015 with a view that it set 5-7 year goals. Under it we have seen a range of service improvements, including:

- The full roll out of bus real-time information;
- The full review and re-design of the supported bus network;
- Commercialisation of a significant number of services;
- The introduction of the Broomfield Hospital shuttle from Chelmer Valley Park and Ride;
- The additional hospital stop for Colchester Park and Ride;
- The extension of demand responsive services offering significantly higher levels of service in rural areas;
- The first multi-operator digital ticket;
- Digital ticketing on Park and Ride services;
- A more strategic partnership with bus operators through the bus board;
- Improved bus infrastructure;
- Longer contracts with more incentive for passenger growth;
- A pilot for digital demand responsive transport.

The Bus Priority Policy has enabled us to understand the relative priority of services to passengers and the public and ensure that our funding is focused on those that represent people's top priorities.

Q16: The criteria applied by the County Council for the grant of a licence to an operator for the operation of a specific bus route.

A16: ECC does not grant licences to bus operators or register routes. These are matters for the Traffic Commissioner's Office. ECC do not have any authority over the issue of a licence or registration of a route.

Q17: The criteria applied by the County Council for the withdrawal of financial support for the operation of a specific bus service and route.

A17: The current criterion is that any service that exceeds a taxpayer subsidy of £5.00 per individual passenger journey is reviewed, usually at tender stage. If a service exceeds this upper limit, and no way can be found to bring the service below that level of subsidy, for example through reduced frequency or smaller vehicles, the service is subject to consultation for withdrawal.

Service number	Days of operation	Supported Journeys	Origin	Destination	Operator					
21	Saturday		Ongar	Brentwood	Ensign Bus Co Ltd					
804	Schooldays		Debden	Chigwell	London General Transport					
87	Monday to Saturday		Debden	Loughton	Swallow Coach Co Ltd					
32	Monday to Saturday		Chelmsford	Ongar	First Essex Ltd					
211/212	Monday to Saturday		Waltham Cross	Breach Barns/Roundhills	Community Link					
13 (previously	Monday to Saturday		Waltham Cross Bus Station	Epping	Swallow Coach Co Ltd					
418B	Monday to Saturday	evenings	Loughton	Harlow	Galleon Travel 2009 Ltd					
418B	Holidays		Loughton	Harlow	Arriva Kent & Thameside Ltd					
			Moreton/Matching							
SB10/11/13	Monday & Thursday Sunday & Public		Green/Stanford Rivers	Epping	Community Link					
66 a/b (previoi	Holidays		Waltham Cross	Debden/Upshire	Swallow Coach Co Ltd					
418	Monday to Saturday		Loughton	Harlow	Galleon Travel 2009 Ltd					
381	Monday to Saturday		Toot Hill	Harlow	Community Link					
SB12	Wednesday & Friday Sunday & Public		Toot Hill	Harlow	Community Link					
420	Holidays		Ongar	Harlow	Galleon Travel 2009 Ltd					
46	Monday to Saturday		Chelmsford / Epping	Ongar	First Essex Ltd					

Schedule 1B Introductory

SCHEDULE 1B

Provision of Local Bus Services

Specification

This Schedule specifies the Local Bus Services to be delivered by the Contractor to the Authority. The Specification is split into five parts.

Part 1	Operational
Part 2	Ticketing
Part 3	Route and timetabling
Part 4	Vehicles
Part 5	NOT USED

Schedule 1B Part 1

PART 1 – OPERATIONAL

1. GENERAL STATEMENT OF INTENT

- 1.1 This Schedule 1B outlines the terms and conditions applying to contracts let by the Authority for the provision of local bus services under the Transport Acts 1985 and 2000.
- 1.2 The Authority's aim is to provide reliable accessible transport for the people of Essex in accordance with the Performance Standards. To this end the Authority will closely monitor the operation of services to ensure that they are run in accordance with the terms of this contract.
- 1.3 The Authority is willing to discuss any aspect of the contract with the Contractor, particularly those which would improve the performance of a service and its attractiveness to its community.
- 1.4 Where a local bus contract is initially let on a gross (guaranteed) price contract, at the request of the Authority, the Contractor shall use best endeavours to agree as early as possible with the Authority an amendment to convert the Local Bus Contracted Service from gross price to net subsidy. This includes Demand Responsive Transport service Contracts.
- 1.5 The Authority's aim is to use its resources in the best possible way for the people of Essex and get a return on investment where appropriate. In funding a Demand Responsive Transport Local Bus Contracted Service, the Authority seeks to share in additional revenue generated from its investment. In the event that the Contractor increases passenger growth and revenue under a net subsidy contract:
 - 1.5.1 where the Contractor made provision within its offer for a mechanism to share the increased revenue with the Authority, the relevant share under the mechanism will be passed back to the Authority;
 - 1.5.2 where the Contractor did not make provision within its offer for a mechanism to share the increased revenue with the Authority, the Contractor shall use best endeavours to agree this with the Authority;
 - 1.5.3 the Authority's share of increased revenue will be passed to the Authority by credit against the monthly invoice.
- 1.6 In relation to contracts awarded under the tender offer Documents for 'Getting Around' Local Bus and DRT and to clarify Schedule 1B Part 2 sub-clause 3.3, Electronic Ticket Machines must be used other than where the Authority has given its written agreement that alternative ticket machines can be used. Other conditions relating to Raw Data and Electronic Ticket Machine Data and recording and provision of other data information must still be complied with.

2. SCHEDULE-SPECIFIC DEFINITIONS

2. In this Schedule 1B the terms and expressions set out below shall have the meanings set out beneath them.

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“Authority”

shall include any person or Committee or Sub-Committee of the Authority or any body of persons authorised to act on the Authority's behalf

“De Minimis”

Contracts let under an exclusion from the tendering process, as contained in the Service Subsidy Agreements Tendering Regulations 1985 and 2002, as amended by the 2004 Regulations (Statutory Instrument 2004 No. 609)

"Essex Quality Partnership for Roadside Passenger Transport Information"

The aim of the partnership is for ECC to produce transport information and for it to be posted by a designated operator within each of the 12 Essex Districts, therefore bringing about a consistent format for the customer. Further information can be found on Essex.gov.uk

“Owner Driver”

The owner and driver of a Hackney Carriage or Private Hire ('HC/PH') licensed vehicle who holds an 'HC/PH' drivers licence, but who does not hold an 'HC/PH' operators licence. The driver works in association with the holder of such an operating licence to whom he pays a fee.

“Sub-Contractor”

The holder of a PSV Operators Licence, or Hackney Carriage Licence or Private Hire Operators Licence, or Community Bus Permit or any other person to whom the Contractor directly or indirectly shares any of its obligations under this Contract to undertake part or all of a contract on the Contractor's behalf. The Contractor remains responsible for all aspects of the contract.

3. GENERAL CONTRACT OPERATING CONDITIONS

- 3.1 All parts of this Schedule apply to this Contract, unless specifically excluded from applying by the Authority at time of tender, or by written agreement at some later date.
- 3.2 The Contractor shall carry out the contract according to the provisions of said schedules.
- 3.3 In addition to anything contained within this Contract the Contractor shall at all times operate according to the requirements of the legislation pertaining to local bus service operation, health and safety, data protection, and freedom of information.
- 3.4 At any time an Inspector shall be permitted to board and travel upon vehicles operating the service(s) to undertake their duties and the Contractor shall give his authority accordingly. Authority Inspectors must, at all times, have access to the on bus data recorded, in the form of an inspectors ticket or similar, to enable them to undertake revenue checks.
- 3.5 Duly authorised officers must be permitted to travel without charge on the vehicles operating the service(s), including any out of service positioning journeys subject to prior arrangement with the Contractor.

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- 3.6 At all reasonable times officers duly authorised by the Authority shall have access to any documents that relate to the operation of the service(s) in question.
- 3.7 The Contractor shall inform the Authority of any problems encountered in maintaining the scheduled timetable or scheduled route and of any material change to the numbers of passengers using the contract (in line with paragraphs 7.6 to 7.9 below). The Contractor will also pass on to the Authority any comments or possible solutions to problems regarding the route that may improve its operation or appeal to the public.
- 3.8 The Contractor shall join and participate in the Essex Quality Partnership for Roadside Passenger Transport Information.
- 3.9 The Contractor shall bear any cost relating to the funding of the National Traveline Services incurred by the operation of this service on behalf of the Authority
- 3.10 A disclosure of details of Contractor's maintenance history concerning prohibitions and annual test history must be made available to the Authority if requested.

4. NOT USED

5. EMPLOYEES

- 5.1 The Contractor shall ensure that all employees comply with the requirements of the law relating to any matter which concerns the operation of any vehicle undertaking the contract including the licensing, insurance, operation, construction and use, fitness, equipment and safety of said vehicle.
- 5.2 The Contractor shall ensure that all vehicles used to undertake the contract including those of any Sub-Contractor, are driven by competent drivers, licensed and insured in accordance with the law.
- 5.3 The Authority shall be entitled, but not unreasonably or vexatiously, to require the Contractor to remove from the operation of this Contract anyone employed by the Contractor or Sub Contractor, with immediate notice given by fax or telephone. This will be confirmed in writing.
- 5.4 On receiving the telephoned or faxed request, the Contractor will immediately remove the said employee from the operation of this Contract and provide an acceptable replacement.
- 5.5 The Contractor will take all reasonable steps to offer the same level of service to all Passengers conveyed and work within the requirements of the Disability Discrimination Act 1995.
- 5.6 The Contractor shall take legal advice to determine the effect of the Transfer of Undertakings (Protection of Employment) Regulations on any staff employed in pursuance of this contract and to carry out any actions the regulations may require.
- 5.7 The Contractor may only employ drivers with Hackney Carriage and Private Hire Licences who have provided evidence to the Contractor that they have an approved Enhanced DBS check by a body approved by the Authority within the last 3 years as part of the licensing process. It shall be a contractual obligation that the Contractor shall comply with the Disclosure and Barring Service. This will include, but is not limited to, the Contractor not to knowingly allow a person to engage in a 'Regulated Activity' (as defined in the Protection of Freedoms Act 2012) while barred as well as the Contractor being under a duty to refer individuals to the DBS for consideration for barring in relevant circumstances and to provide information to the DBS upon request. The Contractor can make all requests for disclosures and checks via ECC and shall provide such evidence of compliance with the DBS as ECC shall reasonably require.

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- 5.7.1 The Contractor must only employ a Passenger Assistant or PCV driver to perform in connection with the Services, a 'Regulated Activity' (as defined in the Protection of Freedoms Act 2012) who has an approved Enhanced Disclosure and Barring Service (DBS) check that is no more than three (3) years old through Essex County Council or approved portability in accordance with the terms and conditions of Essex County Council.
- 5.8 The Contractor shall ensure that all employees, including Passenger Assistants and drivers, are recruited only in accordance with the Recruitment Best Practice Pack provided to each Contractor which may be amended from time to time by the Authority. The Recruitment Best Practice Pack shall include, but not be limited to, a requirement that the Contractor will develop and apply robust recruitment procedures, including checking identity, qualifications and references, enquiring into career history and requiring employees to tell the Contractor if the employee has been put on one of the Disclosure and Barring Service's Barred Lists. The Contractor shall also ensure that suitable references reflecting the employee's suitability to work with children and vulnerable adults are taken up as part of the recruitment process, and that the outcome of said references is satisfactory. The Recruitment Best Practice Pack is available from the ECC website - <http://www.essex.gov.uk/Business-Partners/Supplying-Authority/Transport-Services/Operators/Pages/Guidance-and-FAQs.aspx>
- 5.9 The Contractor shall ensure that all Passenger Assistants and drivers, when performing the contract, shall wear, in such a way as to be visible to members of the public, identification supplied by the Contractor or Licensing Authority. The Contractor shall ensure that any personnel who have left their employment return to them any identification supplied by the Contractor. The Contractor shall ensure that they return unexpired identification supplied by Essex County Council for cancellation for all personnel who have left their employment or have been supplied upgraded identification by the Contractor.
- 5.10 The driver (and Conductor/Passenger Assistant where provided) shall not smoke on any vehicle used on the services the subject of this Contract, in accordance with current UK smoke free legislation nor smoke in the vicinity of the vehicle or in the vicinity of the pick-up or put-down premises.
- 5.11 The Contractor shall ensure that all staff, including Passenger Assistants and drivers, are prohibited from taking photographic and video images of passengers, with the exception of ICO registered Closed Circuit Television equipment.
- 5.12 The Contractor shall ensure that all staff, including Passenger Assistants and drivers, are aware that the communication of inappropriate material or inappropriate contact with Passengers is prohibited.
- 5.13 The Contractor will ensure that all staff, including Passenger Assistants and drivers are prohibited from offering food, drink, medicines, money, cigarettes or any other substances to all Passengers.

6.0 CONTRACTOR DUTIES

- 6.1 The Contractor shall ensure that:

- 6.1.1 all vehicles used on the services must be clean and equipped with a properly maintained heating and ventilation system, shall be weatherproof against the entry into the vehicle by leakage of rainwater, snow or other precipitation and, if required, have provision for the secure carriage of Special Needs Passengers' equipment;

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- 6.1.2 the Authority is informed of any significant changes in demand for the service(s), and, where appropriate, make recommendations for improving the financial performance;
- 6.1.3 such record forms or other correspondence as may be required by the Authority in respect of revenue, mileage, passenger usage data, invoicing and public correspondence are fully completed and returned promptly to the Authority;
- 6.1.4 in the event of any journey not being operated, for whatever reason within the operator's control, arrange for a replacement operator to provide the journey at the Contractor's expense, and notify the Authority accordingly as soon as possible. If any journey is not so covered, the clauses relating to such non - operation in Schedule 4 Payment Mechanism and key performance indicators in Annex 14, Key Performance Indicators shall apply;
- 6.1.5 NOT USED
- 6.1.6 there is sufficient off road parking for all vehicles used on this contract;
- 6.1.7 a telephone is answered by a responsible person between 0800 and 1730 Mondays to Fridays, except where the Contract operates outside these times in which case the phone should be answered between 0700 and 2000 on the days when the Contract operates. A redirected message is acceptable only where a responsible person answers the redirected call;
- 6.1.8 the carriage of Passengers in wheelchairs is undertaken in accordance with the Department of Transport Code of Practice entitled: The Safety of Passengers in Wheelchairs on Buses (VSE 87/1) or any subsequent guidelines which are issued; and
- 6.1.9 when using closed circuit television ("CCTV") equipment and handling CCTV footage the Contractor shall:
 - 6.1.9.1 comply with any request by the Authority or designated member of school staff for the release of CCTV footage and shall ensure the CCTV footage is provided to the Authority or School within 2 Days of the Authority's request;
 - 6.1.9.2 ensure that at all times the CCTV equipment is operated and the CCTV footage is handled in strict compliance with current legislation including ICO registration if applicable,
 - 6.1.9.3 ensure that images on the CCTV footage shall be viewed only when strictly necessary by persons authorised by the Contractor and such authorised persons must hold a current and approved Essex Authority fully enhanced DBS check, or approved portability in accordance with the terms and conditions of Essex Authority; and
 - 6.1.9.4 ensure that the CCTV footage shall remain available for the duration of the investigation, if requested.

7.0 VARIATION AND TERMINATION OF CONTRACTS

- 7.1 If the Contractor fails to observe or perform any of the terms and conditions of this Contract, or shall not observe or perform those conditions to the satisfaction of the Authority, then the Authority may:
 - 7.1.1 forthwith, terminate this Contract in accordance with its terms without prejudice to any rights which may have already accrued to the Authority or to the Contractor, or

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- 7.1.2 implement the provisions Schedule 4 Payment Mechanism and Annex 14 Key Performance Indicators..
- 7.2 Should the Contractor repudiate this Contract or should the Authority terminate the Contract pursuant to paragraph 7.1.1 or should the Contractor fail for any reason to make or complete a particular journey, the Authority may employ another person or company to perform all or any of the Contractor's obligations under this Contract.
- 7.3 If the cost of employing a new Contractor is greater than the original contracted daily rate, the Authority will be entitled to recover the amount of any excess as a debt due from the Contractor to the Authority.
- 7.4 Without prejudice to this right to recover, the Authority may deduct the said amount from any monies owing to the Authority from the Contractor. This applies not only to monies owed in respect of this Contract, but also any other contract between the Authority and the Contractor.
- 7.5 Similarly without prejudice to that right to recover, the Authority may deduct from any monies for the time owing by the Authority to the Contractor under this Contract or any other Contract between the Authority and the Contractor the amount of that excess or any part thereof.
- 7.6 During the period of this Contract the Authority may in writing request the Contractor vary the routes and schedules, particularly in response to external developments, such as commercial service registrations, housing developments, significant changes in patronage, reliability/punctuality issues.
- 7.7 If during the period of this Contract the number of passengers to be conveyed changes to such an extent that it is practicable to convey them in a vehicle of a different size or type to that being used by the Contractor, the Authority may in writing request the Contractor to use a smaller or larger or different vehicle as necessary.
- 7.8 Upon receipt of such a request from the Authority, the Contractor shall submit a revised daily rate for undertaking the requested changes.
- 7.9 If the revised rate quoted by the Contractor in accordance with clause 7.7 is acceptable to the Authority, then on the agreed date upon which the Contractor implements the revised arrangements, that rate shall be substituted for the agreed daily rate.
- 7.10 If the said revised rate is not acceptable to the Authority or the Contractor is unable or unwilling to submit a revised rate then Schedule 4, clause 1.4 shall apply.
- 7.11 Where a Bus Subsidy Contract is let under De Minimis Rules, either party may terminate the Contract with three months' notice in writing, for whatever reason.

8.0 CANCELLATION OF CONTRACT – FALSIFICATION OF RECORDS

- 8.1 The Authority shall be entitled to cancel this Contract and to recover from the Contractor the amount of any loss resulting from such cancellation, if the Contractor or any of his employees including Sub-Contractors (for whom the Contractor is hereby deemed responsible) falsify any document upon which the Contractor declares the revenue received from the operation of the service provided hereunder or issue any ticket for a journey upon which the details of that journey including the date or fare are incorrectly recorded with intent to defraud.

9.0 LICENCES, INSURANCES AND INDEMNITY

Schedule 1B Part 1

- 9.1 The Contractor shall have, and keep in force, a Standard Public Service Vehicle Operators Licence or a Restricted Public Service Vehicles Operators Licence as required by Section 12 of the Public Passenger Vehicles Act 1981, or a Restricted Licence as required by section 12 of the Transport Act 1985, or a Community Bus Permit as required by section 22 of the Transport Act 1985 which permits the operation of the service(s) and shall produce the licence at any specified time for inspection by an authorised representative of the Authority.
- 9.2 Any period of suspension of their PSV Operating Licence or Community Bus Permit during the term of this Contract will be deemed as the Contractor not having a full licence in operation and the Authority may terminate the contract forthwith.
- 9.3 NOT USED
- 9.4 NOT USED
- 9.5 In addition to the insurances specified in Schedule 6, any Contractor using Owner Drivers shall have in force a Motor Contingency Policy that would cover any liabilities that may arise should the Owner Driver's insurance, for some reason, be inadequate or inoperative. This should not preclude the Contractor from checking the adequacy of said Owner-Driver's insurance at least once per month.
- 9.6 NOT USED
- 9.7 At the request of the Authority, the vehicle(s) and all insurance policies and other documents relating to the vehicle(s) shall be made available for inspection by an authorised Officer of the Authority on the day of the request and at all reasonable times of that day. The Contractor shall ensure that the vehicle(s) is / are driven by a competent driver licensed and insured in accordance with the law.
- 9.8 For the purpose of Schedule A and Schedule B, clause 15.1 any such injury or damage shall be deemed to arise out of and during the course of the performance by the Contractor of this Contract if the same shall occur whilst any person is boarding, alighting from or travelling in the vehicle.
- 10-14. NOT USED**
- 15. NOTICE OF NON-COMPLIANCE**
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- 15.1 Without prejudice to any other rights of the Authority under the Contract, if the Contractor fails to provide the service in accordance with the Contract the Authority may in its absolute discretion issue a Contractor Default notice requiring the Contractor to take such action as may be specified in the notice to remedy that failure within the period specified in the notice. Failure to comply with the notice within the specified time limit may be taken into consideration under regulation 25 of the Public Contracts Regulations 2006 which may lead to the exclusion of the Contractor from the award process of further contracts in this field. Issue of any such notice shall not be construed as a waiver by the Authority of any rights or provisions in the Contract to enforce the terms and conditions of the Contract.

Schedule 1B Part 2

PART 2 – TICKETING

CONDITIONS OF CONTRACT FOR THE PROVISION OF TICKETING, ELECTRONIC DATA RECORDING AND PAYMENTS

1. GENERAL STATEMENT OF INTENT

- 1.1 This Part 2 outlines the terms and conditions of the Authority's Contract in regard to the requirements for issuing tickets, electronically recording the number of passengers using the service (s) to be provided and the payment of monies outstanding to the Contractor in regard to his operation of the contracted services.
- 1.2 The Authority is determined to maintain and improve the quality of the bus services it provides and will closely monitor the service. This schedule should be read in conjunction with Annex 14 to this end.
- 1.3 The Authority is happy to discuss any matters relating to the requirements of this part of the schedule with Contractors, including that pertaining to the collection of Electronic Ticket Machine (ETM) Data. However responsibility for the purchase, installation and correct operation of a suitable ETM system rests with the Contractor.

2.0 DEFINITIONS

- 2.1 All definitions listed in Part 1 apply, together with the following.

“Contracted”

Where a service or a section of a service is run by the Contractor with financial support in full or in part from the Authority.

“Electronic Ticket Machine (ETM)”

An electronic computerised device or devices designed to allow the recording of passenger numbers, fare income and details of ticket types used including but not limited to: standard fares, returns, any concessionary fare specified as acceptable by ECC, passes of all types, scholars' tickets, season tickets and any cancellations or refunds issued, gathered on any contracted journey.

“Electronic Ticket Machine Data”

The Raw Data gathered either using the ETM system as defined above or, exceptionally, by Excel summary, in a form downloadable to and fully compatible with the system used by the Authority. It shall contain full data as downloaded by the driver's modules or card.

“Electronic Data Transfer”

Transfer of data by e-mail or; with the prior written agreement of the Authority, in the form of a computer disc or discs and/or such other system of direct data transfer as may be agreed. Paper records shall not be acceptable other than in an emergency and with the agreement of the Authority.

“Raw Data”

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The complete data set as gathered by a driver and recorded on the ETM module. This does not include Excel summaries other than where the Authority by exception has given prior written agreement for the use of Excel summaries in place of ETM records.

“Run Commercially”

Where a whole service is run by the operator for their own financial benefit with no financial support whatsoever from the Authority.

3. ETM AND DATA OFFER REQUIREMENTS

- 3.1 Ticket Machines must be capable of issuing all fare values (in 1p increments) as well as return tickets, special tickets or other tickets as may be required by the Authority.
- 3.2 Individual journey reference numbers, revenue reference numbers, fare stage numbers and ticket type codes for all ECC funded journeys, must be supplied to the Authority prior to the start of the contract for agreement. Once reference numbers have been agreed, journey and revenue reference numbers must not be subsequently changed throughout the duration of the contract, without prior written agreement from the Authority. The Contractor shall provide an Excel spreadsheet showing the previous journey and revenue reference numbers against the new journey and revenue reference numbers within twenty days of agreement.
- 3.3 Unless specifically noted to the contrary in the tender Requirement, or by written notice of agreement in advance of any operation, by the Authority, at a later date, the Contractor shall ensure that an ETM system is provided for each vehicle operating the Contract. This system shall operate from the first day of the Contract, regardless of whether a substitute vehicle is being used or not at this or any other time.
- 3.4 The Contractor shall submit to the Authority the Electronic Ticket Machine Data as defined above, gathered in the operation of this Contract within 10 working days of the end of each month. The operator is also required to submit a list of the journeys not operated. Reasons must be given for non-operation in the form of a lost mileage return in an agreed format. Offer in electronic format (i.e. an e-mailed spreadsheet) is acceptable. Invoices may not be approved unless this data is submitted.
- 3.5 The data submitted must be in the required format as set out in the definition above.
- 3.6 The operator shall also submit quarterly summary data based on the Electronic Ticket Machine Data as defined above that includes:
 - 3.6.1 for gross cost contracts, on board revenue per service per quarter. For all other types of contract, operators shall in addition supply revenue figures per service per quarter for all types of income including on board revenue and that from ENCTS and scholars/season tickets. Where a contract is for part of a service (the remainder of which is run commercially), the operator shall distinguish between commercial and contracted revenue.
 - 3.6.2 the number of passengers per service per quarter. Where a contract is for part of a service (the remainder of which is run commercially), the operator shall distinguish between commercial and contracted passenger journeys.

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3.7 The Contractor shall be required to supply on request within 10 working days, in a format as outlined in paragraph 3.6 above, details of passengers and revenue boarding by stage and journey. 5 working days may not be achievable, especially for smaller operators and outstations where the ETM data is not downloaded every day.

3.8 The operator shall at the start of the contract, provide the Authority with details of:

3.8.1 the service number(s) as used in the ticket machine to identify those elements of the service(s) covered by the contract

3.8.2 the journey number used to identify each separate journey as set out in the contracted timetable.

3.9 once allocated, the service number and journey numbers should not normally be changed. However, if for any reason this cannot be avoided, the operator shall provide a spreadsheet in an agreed format clearly mapping the old and new service/journey numbers. This spreadsheet shall be submitted to the Authority not less than 10 working days prior to the commencement of the changes.

4. TICKETING AND PASSES

4.1 The Contractor shall ensure that:-

4.1.1 each passenger is issued with or is in possession of, a valid ticket or pass for each journey and except as detailed in paragraph 4.1.3 below, in line with the latest fare charts issued by the Authority for each contracted service. All tickets issued on the vehicle shall be issued by means of an Electronic Ticket Machine in accordance with clause 3.0 above and in accordance with the fare chart;

4.1.2 in the event of the ETM failing to operate, and only until it is repaired or replaced, each passenger must be issued with either an emergency ticket, which must be serially numbered and have an audit stub, or a ticket from a machine which mechanically records the revenue. All passes and travel cards must be properly recorded. The Authority must be informed of any such incident and appropriate arrangements for Offer of the data agreed;

4.1.3 where a County or District Authority provides a concessionary travel scheme for the elderly and/or disabled, such passengers must be permitted to travel and recorded on the ETM at the appropriate rate;

4.1.4 any passes issued by the Authority, or a party with whom the Authority enters into an agreement shall be accepted and recorded on the ETM on the service(s). These shall be detailed on the fare charts. Other passes not so detailed shall not be accepted as valid; and

4.1.5 an agreed form of Unpaid Fare Voucher (UFV) is carried on each vehicle. Where a driver exercises discretion to allow a passenger to board without payment or being in possession of valid pass (for instance, where not doing so would leave a child stranded in an isolated location or otherwise vulnerable) a full UFV must be issued.

4.2 For guaranteed cost based agreements, the Authority will deal with reimbursement arrangements for concessionary fare passes, however the Contractor is required to provide passenger usage data to the Authority and its agents, from the Electronic Ticket Machines in this respect. In the case of net subsidy or De Minimis agreements, the Contractor will be responsible for arranging reimbursement claims.

5. PAYMENT

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- 5.1 The Contractor will be paid by the Authority on a calendar monthly basis for the work undertaken. Payments are to be calculated by multiplying the tendered daily rate (or rate agreed in writing after tender), by the number of actual days operated in a monthly period, and these calculations are to be clearly shown on the invoice. Payment terms are 30 days from date of invoice provided the invoice is a correct and valid tax invoice, and provided it is received within 2-3 days of the date/tax point on the invoice. Invoices can only be dated the first day, or later, of the month following the month the work was completed in. From this amount shall be deducted:-
- 5.1.1 the total amount of fares collected during the monthly period. NOTE: this applies to gross cost contracts only; and
 - 5.1.2 a credit adjustment for the agreed value of any journeys not run by the operator and any service charges applied by the Authority as a result of a failure to meet Key Performance Indicator targets during that period, or a preceding one not yet paid,. The amount due for any journey not run shall be determined according to Schedule 4, clause 1.9.
- 5.2 The payment of the invoice is also subject to the amounts declared under paragraph 5.1 being correct. It is the responsibility of the Contractor to ensure the information is correct and corresponds to ETM records.
- 5.3 Failure to supply the correct information, or supporting documentation in the required format, will delay payment of an invoice until any discrepancy can be reconciled to the satisfaction of the Authority.
- 5.4 If the amount of income and/or credit exceeds the monthly gross cost of the contract, then such excess shall be refunded to the Authority within 30 days of the last day of the month the invoice applies to.
- 5.5 The Contractor is deemed to have calculated the daily rate agreed with the Authority for the performance of the contract so that it includes all running and standing costs that will be incurred by the operator over the lifetime of the contract. The daily rate is therefore fixed for the term of the Contract and there will be no annual review of contract prices.
- 5.6 With effect from 1 January 2014 Bus Service Operator's Grant (BSOG) payments cannot be claimed from the Department for Transport (DfT) for contracted services operated on behalf of the Authority (other than in the case of De Minimis contracts). Instead, a general transport grant has been given to the Authority by the DfT. During the lifetime of the grant the Authority has decided to use it to compensate holders of existing contracts (other than De Minimis contracts) for the loss of BSOG payments from the DfT. Therefore:
- 5.6.1 In respect of existing contracts and contracts renewed under the terms of this agreement let before 1 January 2014, an additional payment will be made to each operator on a service by service basis with the aim of broadly compensating them for the loss of BSOG. Where a service is operated under a De Minimis arrangement the Authority will not make payment to the Contractor in relation to BSOG as the Contractor may continue to claim BSOG payments from the DfT
 - 5.6.2 In respect of contracts (other than De Minimis contracts) awarded after 1 January 2014, the price submitted at tender should fully account for all the Contractor's costs, including the inability to claim BSOG payments. Where a service is operated under a De Minimis arrangement the Contractor may continue to claim BSOG payments from the DfT.
 - 5.6.3 Should the legislation surrounding BSOG change again during the period of this Contract, the Authority reserves the right to review and alter any payments made in regard to BSOG, following due consultation with the Contractor.

Schedule 1B Part 3

PART 3 – ROUTE AND TIMETABLING

1. GENERAL STATEMENT OF INTENT

- 1.1 This Part outlines the terms and conditions of the Authority's Local Bus Contract in regard to the Contracted Services route, timetable of operations and requirements in regard to them.
- 1.2 The Authority welcomes comments or suggestions relating to possible improvements to the service route or timetable from operators or members of the general public.

2. DEFINITIONS

- 2.1 All definitions listed earlier in this Schedule 1B apply together with:

'Vehicle'

Means any vehicle used to undertake the Contract by the Contractor or a Subcontractor on his behalf.

3. OPERATION OF ROUTE AND TIMETABLE – GENERAL REQUIREMENTS

- 3.1 All journeys are to be provided in accordance with the agreed timetable and route, subject to any modifications agreed between the Authority and the operator at a later date.
- 3.2 The Contractor shall ensure reliable timepieces, or other time recording equipment is used to record time, and shall also ensure they are set to the correct GMT or BST as appropriate on a daily basis.
- 3.3 Any Vehicle used by the Contractor for the purpose of discharging his obligations under this Contract shall have a carrying capacity or where specified at tender, sufficient seating to convey at least the number of passengers shown in the tender specification. The capacity will be calculated in accordance with the Public Service Vehicle (Carrying Capacity) Regulations 1984 or any amendment thereof, except that the Contractor shall not calculate the capacity of the said Vehicle(s) by reference to Clause 5 of the said Regulations.
- 3.4 The Contractor is responsible for obtaining from the relevant school, college or centre the dates of non-pupil days or any other pre-determined days when schools, colleges or centres served by schoolday journeys will not be open. No payment will be made to the Contractor for such non-pupil days or pre-determined days of closure. The Authority will endeavour to inform the Contractor at least 7 days in advance of any school, college or centre closures due to previously unforeseen circumstances. If 7 days' notice is not given the Contractor shall be entitled to charge the full contract daily rate.
- 3.5 The Contractor shall implement any variations or changes in the route or timetable which the Authority may require subject to the agreement of a revised rate by both parties. Where a revised rate cannot be agreed Schedule 4, clause 1.4 shall apply.
- 3.6 Where there are fixed authorised bus stopping places, these shall be observed, unless otherwise agreed by the Authority.
- 3.7 Where the contract requires the Contractor to access a bus station or other terminus owned by a third party (i.e. another Authority), unless otherwise stated in the Requirement, the

Schedule 1B Part 3

Authority will accept responsibility for and pay directly to the owner any access or departure charges. Note: the Contractor is responsible for departure charges on net subsidy contracts, and also on contracts let under De Minimis Rules.

- 3.8 Where the owner of such a site requires that the Contractor sign a user agreement regulating access, the Contractor shall sign and comply with the terms of such an agreement. Where the agreement requires direct payment of any such charges by the Contractor rather than by the Authority, the Authority will reimburse the Contractor for the amount charged. Note: the Contractor is responsible for departure charges on net subsidy or De Minimis contracts.

4. REGISTRATION OF THIS CONTRACT

- 4.1 The Contractor will register the service in the manner prescribed by the Transport Act 1985 Section 6(2) with the appropriate Traffic Commissioner and if operating within any London Borough shall obtain the necessary London Service Permit from Transport for London (TfL).

- 4.2 The registration documents must be submitted within 10 days of the confirmation of the award of the Contract(s). All costs incurred by the Contractor with regard to the initial registration of the service(s) described in 4.1 above shall be borne by the Contractor.

- 4.3 If upon registration of the service(s) the Traffic Commissioner exercises his powers pursuant to Section 7 of the Transport Act 1985 and imposes traffic regulation conditions with respect to the operation of that service(s) then:

4.3.1 the traffic regulation conditions shall form part of this Contract and any existing terms or conditions of the Contract which conflict with the traffic regulation conditions shall be deemed to be deleted in entirety from this Contract; and

4.3.2 within seven days of the decision of the Traffic Commissioner to impose traffic regulation conditions with respect to the operation of any Service(s) hereunder, either party may determine this agreement by giving the other three months' notice in writing of their intent to do so. If such notice is served by either party upon the other then any expense incurred by a party in contemplation of the performance of the Contract shall be borne by that party without recourse to the other.

- 4.4 The parties hereby acknowledge that where any part of the services is within a London Borough this Contract is conditional upon a London Service Permit being granted by TfL. The application for the said permit is to be made by the Contractor. If the application for a London Service Permit for any or all of the said Service(s) specified at tender is refused other than because an error or omission by the Contractor in the application, this Contract shall forthwith determine and shall be treated as between the parties as though it had not been executed. Any expense incurred by a party in contemplation of the performance of the Contract shall be borne by that party without recourse to the other. Where the refusal is due to an error or omission by the Contractor in the application, any expense or costs incurred by the Authority as a result of the error or omission, including any re-tendering costs, shall be recoverable from the Contractor by the Authority save for when the error or omission was as a direct result of an act or omission by the Authority.

- 4.5 In the event that TfL grants a London Service Permit pursuant to its powers, but grants such permit with terms or conditions attached then:

4.5.1 Those terms or conditions shall form part of this Contract and any existing terms or conditions of the Contract which conflict with the terms and conditions imposed by TfL shall be deemed to be deleted in their entirety from this Contract; and

4.5.2 within seven days of the decision of TfL to grant a licence subject to terms or conditions, either party may determine this agreement by giving seven days' notice in writing of their intent to do so. If such notice is served by either party upon the other

Schedule 1B Part 3

then any expense incurred by a party in contemplation of the performance of the Contract shall be borne by that party without recourse to the other.

Schedule 1B Part 4

PART 4 – VEHICLES

1. GENERAL STATEMENT OF INTENT

- 1.1 This schedule outlines the requirements of the contract in regard to vehicle construction and use.
- 1.2 In general from January 2000 all new buses and minibuses must comply with the Public Service Vehicles Accessibility Regulations 2000 (the "PSVAR"). All Vehicles used to undertake an ECC Local Bus contract must comply with the requirements of the PSVAR.
- 1.3 Further information on the requirements of the PSVAR can be obtained from the Department for Transport.

2. DEFINITIONS

- 2.1 All Definitions listed earlier in this Schedule 1B apply together with:

"Low Floor Bus"

An accessible vehicle with an initial step height of no more than 210mm and no further internal steps, on the lower deck for at least 2/3rds of the vehicle length.

3. GENERAL VEHICLE CONSTRUCTION AND USE REQUIREMENTS AND DISPLAY OF SIGNS

- 3.1 The Contractor shall ensure that the Vehicle(s) utilised shall comply with the requirements of the law relating to any matter which concerns the Vehicle(s) including the licensing, the insurance, operation, construction and use, fitness, equipment and safety of the Vehicle(s).
- 3.2 Where the driver of any Vehicle is accommodated in a cab or compartment separated from the Passenger seating accommodation, or where the driver of any Vehicle does not have control of the Vehicle doors from his seated driving position, the Contractor shall, at his own expense, provide a Conductor.
- 3.3 No Vehicle with an open platform or an open top shall be used on the Service(s), unless the use of such Vehicle(s) has been previously agreed by the Authority.
- 3.4 No Vehicles fitted with separate entrance and exit doors are permitted to be used on this Contract, even if the doors are disabled or blocked off.
- 3.5 Unless otherwise agreed by the Authority the Vehicle shall display on the front of the Vehicle a mechanical or electrical destination sign which must comply with the PSVAR. A service number shall also be displayed. For Local Bus services only (not Demand Responsive Transport services) the sign(s) shall be capable, at all times, of being adequately illuminated so that the sign can be clearly seen during the hours of darkness.
- 3.6 In the event of a destination display, as required in paragraph 3.5 not being available, the Contractor must display a temporary destination display, in printed format in the front windscreen, clearly visible to Passengers intending to board the Vehicle.

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- 3.7 The Vehicle shall display on the window nearest the entrance/exit any signs provided by the Authority relating to the provision of the Service being supported by the Authority. This will not be a requirement where a Service operates under a De Minimis arrangement.
- 3.8 Any Vehicle must be in the Contractor's current livery(ies). Vehicles in previous owner's liveries must not be used. The company or trading name should appear on the front of the vehicle. Any exceptions to these conditions must be made known to the Authority in writing and agreed by the Authority.
- 3.9 The Authority may have a requirement for specific route branding, as part of the exterior of the Vehicle. This will be specified in the tender/Requirement, and include requirements for Vehicle livery, publicity and marketing, and the allocation of costs between the Contractor and the Authority. Additional costs borne by the Contractor should be shown in the tender as a fixed price, separate to the daily rate for operating the contract. Wherever possible, vehicles in branding for specific routes should not be used on other services.
- 3.10 The Authority will have a requirement for wheelchair accessible low floor buses (see paragraph 4 below). This will be specified in the tender and/or confirmed at acceptance of contract. Any spare buses must meet the specification of the Contract unless otherwise agreed in writing by the Authority. For contracts where specific route branding has been specified, the route branding may not be required on spare buses.
- 3.11 The Vehicle used from the first day of the contract must comply with the requirement specified in the successful tender and meet the conditions of the award of the Contract. Where the operator must acquire a Vehicle(s) to meet the obligations of this Contract, written confirmation must be received within 10 days of the award of the Contract that the required Vehicles have been ordered, including an expected delivery date.
- 3.12 NOT USED
- 3.13 All Vehicles used to undertake the Contract shall have a fully operational, effective and properly maintained heating and ventilation system and shall be proofed against the entry into the Vehicle by leakage of rainwater, snow or other precipitation.
- 3.14 If the Vehicle and/or safety equipment, fails in any way to satisfy the requirements of the Contract, the Authority may, without prejudice to its powers under the remainder of this Contract, give the Contractor written Default notice (a notice of non-compliance) of what needs to be done to meet those requirements. The Contractor will immediately comply with that notice. The Authority may also specify a reasonable time within which said default must be rectified.

4. VEHICLE SPECIFICATION

- 4.1 The Vehicle must comply with the specifications laid down in the Public Service Vehicles Accessibility Regulations 2000 (as subsequently updated) in respect of wheelchair accessible, low floor buses. The details of the Regulations are too large to include within this document. Further information on these specifications can be obtained from The Department for Transport at <http://www.dft.gov.uk/transportforyou/access/buses/>