

From: Emma Odabas

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Subject: RE: Oakham Hopper - Options

Hi both

Lovely to meet you all the other day and it was a very useful conversation. To summarise some of our discussion so that you can take this to your next meeting, please see the option notes below fyi. If I have missed anything out or you have further questions or need for further data, please don't hesitate to let me know. I will be on leave on 1st & 2nd December, but apart from that, I will be available. I will also be happy to dial into a meeting if it would be helpful to have me there to answer any queries to assist with decision-making your end.

Up to September 2021, the Oakham Hopper was a 100% subsidised contracted local bus service operated by Centrebus Ltd on behalf of RCC. The annual contract subsidy was £57,025 and RCC also then subsidised the reimbursement of concessionary fares payments for free travel of £28,800 per annum. On top of this, the 16:00 journey was operated by a taxi company at a cost of £12,160 per annum. A total subsidy of over 97k p.a for the service to operate in-line with the attached timetable. Mon-Sat all year with the exception of 7 bank holiday days. As a registered local bus service (registered legally with the traffic commission and operating on an operator licence) passengers without a free travel pass were charged fares on-board to travel. The operator retained these fares as is standard with a minimum subsidy bus contract.

After scrutinising the (low but consistent) usage as part of the budget savings review, RCC decided to issue 3 month notice on the local bus service contract with Centrebus and operate the service in-house to reduce spend whilst retaining service for the existing regular passengers. RCC is currently operating the full timetable at a cost per annum of £40,400 (Which covers driver salaries, fuel and a contribution to depot costs and vehicle maintenance). The service currently operates on a section 19 permit. This means that the service cannot charge fares to the public so essentially running as free community transport.

After discussions about town council involvement, the following options going forward would be as follows:

If OTC decide not to support the service:

1. RCC have allocated budget to operate the service in its current form until October 2022 at the latest only at this point. A report would be taken to cabinet for a decision on whether or not to withdraw the service partially or fully. This has potential to result in termination of the bus service.

If OTC are looking to support the service:

1. The contract could be sent out to competitive tender to bus operators to reintroduce a registered local bus service on which fares could be taken and a larger vehicle could be implemented to encourage addition bus use within the town. This is the most expensive option as per the above previous contract subsidy costs. RCC could assist with the process but the contract would be between OTC and the successful operator.
2. The service could continue to be run by RCC, but subsidised by OTC. This would be at the cost of £40,400 per annum but would include everything with no additional costings and

would mean OTC could reduce/amend the timetable wherever it was felt necessary. RCC would be responsible for all aspects of service delivery, staff employment and costs, vehicle breakdown, insurance, maintenance and replacement, roadside and service publicity and any customer surveys/consultations deemed necessary. RCC could also, as part of a service level agreement (per annum) look at other ways to integrate the bus service into the wider transport network by suggesting timetable tweaks to include statutory scholar movements which could reduce the annual subsidy.

3. OTC could approach VAR or another community transport organisation to investigate delivery of the service via their resources.
4. OTC could consider delivering the transport in another format such as demand responsive or dial a ride where journeys only operate when booked. This would involve agreeing a service specification and going out to tender to local taxi & minibus operators for prices for delivery. Disability access would need to be factored into the specifications of the tender documents.
5. OTC Could investigate setting up a community-based transport service such as a good neighbours scheme such as those in place in Whissendine and Market Overton. Potentially not suitable for a town environment with the levels of use as per the attached passenger usage information. It is reliant on the use of volunteers and would require a scheme co-ordinator.
6. OTC Could mirror the approach taken by UTC with their hopper service which involves the purchase or lease of a minibus and use of volunteer drivers. Average purchase costs of a minibus fit for this purpose ranges from 42k – 55k at the present time. There would be on-going costs to this also to be factored in. Scheme costs and running costs would need to be sourced by OTC for this option.

Kind regards