



REPORT TO INFRASTRUCTURE SERVICES COMMITTEE – 20 JANUARY 2022

ENHANCED DEMAND RESPONSIVE TRANSPORT – GRANT AWARD

1 Executive Summary/Recommendation

1.1 Committee is asked to approve a grant award to Bluebird Buses Ltd (trading as Stagecoach Bluebird), subject to appropriate financial checks, for the operation of an Enhanced, also known as Digital, Demand Responsive Transport (DDRT) service during financial year 2022/23. The new on-demand minibus service would operate in the Newburgh/Balmedie area on Mondays to Saturdays with Stagecoach supplying the passenger booking and vehicle scheduling/monitoring system and staff. The proposal would complement the Council's pilot DDRT project involving the Ready2Go Around Inverurie service operated by Watermill Coaches with the Council providing the back-office. The proposed Stagecoach service would assist the Council in assessing whether DDRT should replace supported fixed-route bus services and help inform decision-making on the potential future rollout of DDRT services and how best to procure these.

1.2 The Committee is recommended to:

1.2.1 Approve the award of a £134,636.90 grant in financial year 2022/2023 to Bluebird Buses Ltd (trading as Stagecoach Bluebird) towards a DDRT service in the Newburgh/Balmedie area.

2 Decision Making Route

2.1 Infrastructure Services Committee, at its meeting on 21 January 2021 (Item 15), considered a report on the Passenger Transport Clean Sheet Review and agreed to “approve a pilot Demand Responsive Transport (DRT) initiative be developed on the Deeside corridor and/or the Inverurie area, to evaluate the revised approach to supported bus service delivery”.

2.2 Following the outcome of the Clean Sheet Review of the supported local bus service network the Council initiated an Enhanced/Digital DRT pilot project and the Council-supported Ready2Go Around Inverurie DDRT service, which is operated by Watermill Coaches, was introduced on 16 August 2021 on a one-year trial basis. The Passenger Transport Unit manages the back-office system supplied by Moovit which includes booking and monitoring software, the associated driver app and the Ready2Go passenger app for journey planning and Ready2Go trip bookings.

2.3 At Full Council on 24 June 2021 (Item 10) an additional allowance of £120,000 was allocated to the Local Bus Services budget for the expansion of DRT. Subsequently, consideration was given to the practicalities of spending this revenue allocation and legal advice was sought on whether an award of grant funding to an operator might be a valid option.

- 2.4 In October operators on the Council's Dynamic Purchasing System (DPS) for passenger transport services, Lot 3, were invited to apply for grant funding towards the operation of an Enhanced DRT service including the provision and management of the back-office booking and monitoring system. It is considered that such a pilot initiative, testing the concept of an operator managing the back-office system for their own DDRT service, complements the Council's own pilot project and will aid decisions on which model of service delivery would be most appropriate in future.
- 2.5 Following evaluation of applications by officers the matter was considered by the Passenger Transport Network Review Member Officer Working Group (PTNR MOWG) at its meeting on 17 December 2021.

3 Discussion

- 3.1 Only one operator, Bluebird Buses Ltd (trading as Stagecoach Bluebird) applied for funding, submitting options for operating a DDRT service in either the Deeside or the Newburgh/Balmedie area, using either an electric or diesel minibus. They also offered discounted costs if grant-funded to operate in both service areas but, based on budget availability, it is recommended to only fund one service.
- 3.2 The Stagecoach Bluebird options were evaluated by officers based on the criteria set out in the application form: potential adverse impact on commercial bus services; financial and other impacts on supported bus services; grant amount; value for money offered; how the proposal helps deliver the Council's passenger transport policy objectives; potential benefit to the traveling public and improved customer offering; proposed performance monitoring data to be made available; and likelihood of medium to long term sustainability of the service beyond the grant period. Whilst there was little difference in the overall scores for the Deeside and Newburgh/Balmedie proposals, it was considered that the Newburgh/Balmedie proposal (electric minibus) scored higher in terms of the potential future impact on commercial and supported services, providing more opportunity for service rationalisation and associated likelihood of reducing/ minimising Council support. For example, supported Service 64 (Blackdog – Aberdeen, Monday and Thursday) could be withdrawn and supported Service 290/291 (Aberdeen – Methlick, Monday - Saturday) could be amended.
- 3.3 It is considered that the passenger benefits of both proposals are largely of similar merit. There is currently no evidence to suggest that either proposal will have a better chance of financial sustainability following the end of the grant, however there is the possibility of achieving savings in the medium term as indicated in paragraph 3.2 and it is therefore recommended to award a grant for a DDRT service in the Newburgh/Balmedie area, as summarised in **Appendix 2**, subject to the funding meeting Subsidy Control (formerly State Aid) and Following the Public Pound (FPP) requirements.

4 Council Priorities, Implications and Risk

- 4.1 DRT bus services help deliver the Strategic Priority “Health & Wellbeing” within the Pillar “Our People,” by tackling poverty and inequalities; Strategic Priority “Resilient Communities “ within the Pillar “Our Environment”, through helping to address issues of climate and sustainability; and Strategic Priority “Economy & Enterprise” within the Pillar “Our Economy” by having the right people, in the right place, doing the right thing, at the right time. The proposal also aligns with the principles of digital infrastructure.
- 4.2 The table below shows whether risks and implications apply if the recommendation is agreed.

Subject	Yes	No	N/A
Financial	X		
Staffing		X	
Equalities and Fairer Duty Scotland	X (potentially) IIA attached as Appendix 1		
Children and Young People’s Rights and Wellbeing	X (potentially) IIA attached as Appendix 1		
Climate Change and Sustainability	X IIA attached as Appendix 1		
Health and Wellbeing	X (potentially) IIA attached as Appendix 1		
Town Centre First	X (potentially) IIA attached as Appendix 1		

- 4.3 There are no direct staffing implications arising from this report. The proposed grant of £134,636.90 can be accommodated within the 2022/2023 budget for Local Bus Services which was increased by £120,000 towards the expansion of DRT services.
- 4.4 An integrated impact assessment has been carried out as part of the development of the proposals set out above. It is included as **Appendix 1** and no negative impact has been identified.
- 4.5 No risks have been identified in terms of the Corporate or Directorate Risk Registers.

5 Scheme of Governance

- 5.1 The Head of Finance and Monitoring Officer within Business Services have been consulted in the preparation of this report and their comments are incorporated within the report and are satisfied that the report complies with the Scheme of Governance and relevant legislation.
- 5.2 The Committee is able to consider and take a decision on this item in terms of Sections F.2.4 of the List of Committee Powers in Part 2A of the Scheme of Governance as it relates to the approval of a grant to external bodies in accordance with Financial Regulations.

Alan Wood
Director of Environment and Infrastructure Services

Report prepared by Marion Mackay, Principal Officer (DRT, Fares & Ticketing) and
Richard McKenzie, Passenger Transport Manager
5 January 2022

List of Appendices

Appendix 1 - Integrated Impact Assessment
Appendix 2 – Stagecoach Bluebird Proposal

Aberdeenshire Council

Integrated Impact Assessment

Grant to Stagecoach Bluebird for Digital Demand Responsive Transport (DRT) Pilot Project

Assessment ID	IIA-000319
Lead Author	Marion MacKay
Additional Authors	Denise May, Heather Dey
Service Reviewers	Richard McKenzie
Approved By	Ewan Wallace
Approved On	Wednesday December 29, 2021
Publication Date	Wednesday January 05, 2022

1. Overview

This document has been generated from information entered into the Integrated Impact Assessment system.

It is proposed to award a grant to Bluebird Buses (t/a Stagecoach Bluebird) in financial year 2022/23 towards the operation of a pilot digital demand responsive transport (DDRT) service in the Ellon / Newburgh area and the provision of the associated back-office system and staffing. The design details of the DDRT service are still to be finalised following a simulation exercise. The grant funding will complement the Council's Enhanced DRT pilot project which involves the Ready2Go service which operates under contract to the Council.

During screening 0 of 10 questions indicated that detailed assessments were required, the screening questions and their answers are listed in the next section. This led to 5 out of 5 detailed impact assessments being completed. The assessments required are:

- Childrens' Rights and Wellbeing
- Equalities and Fairer Scotland Duty
- Health Inequalities
- Sustainability and Climate Change
- Town Centres First

In total there are 0 positive impacts as part of this activity. There are 0 negative impacts, all impacts have been mitigated. The impact on 3 groups is not known, information is provided in the detailed sections of this document.

A detailed action plan with 2 points has been provided.

This assessment has been approved by ewan.wallace@aberdeenshire.gov.uk.

The remainder of this document sets out the details of all completed impact assessments.

2. Screening

Could your activity / proposal / policy cause an impact in one (or more) of the identified town centres?	NotSure
Would this activity / proposal / policy have consequences for the health and wellbeing of the population in the affected communities?	NotSure
Does the activity / proposal / policy have the potential to affect greenhouse gas emissions (CO2e) in the Council or community and / or the procurement, use or disposal of physical resources?	NotSure
Does the activity / proposal / policy have the potential to affect the resilience to extreme weather events and/or a changing climate of Aberdeenshire Council or community?	No
Does the activity / proposal / policy have the potential to affect the environment, wildlife or biodiversity?	No
Does the activity / proposal / policy have an impact on people and / or groups with protected characteristics?	NotSure
Is this activity / proposal / policy of strategic importance for the council?	No
Does this activity / proposal / policy reduce inequality of outcome?	NotSure
Does this activity / proposal / policy have an impact on children / young people's rights?	No
Does this activity / proposal / policy have an impact on children / young people's wellbeing?	NotSure

3. Impact Assessments

Children's Rights and Wellbeing	No Negative Impacts Identified
Climate Change and Sustainability	No Negative Impacts Identified
Equalities and Fairer Scotland Duty	No Negative Impacts Identified
Health Inequalities	No Negative Impacts Identified
Town Centre's First	No Negative Impacts Identified

4. Childrens' Rights and Wellbeing Impact Assessment

4.1. Wellbeing Indicators

Indicator	Positive	Neutral	Negative	Unknown
Safe		Yes		
Healthy		Yes		
Achieving		Yes		
Nurtured		Yes		
Active		Yes		
Respected		Yes		
Responsible		Yes		
Included		Yes		

4.2. Evidence

Type	Source	It says?	It Means?
Other Evidence	There is no relevant evidence.	n/a	n/a

4.3. Accounting for the Views of Children and Young People

Children / young people's views have not been taken into account because the Council is only providing grant funding.

4.4. Promoting the Wellbeing of Children and Young People

The activity of providing grant funding is not aimed at helping safeguard, support or promote children / young people's wellbeing. The bus service that is funded might help support wellbeing but this is unknown.

4.5. Upholding Children and Young People's Rights

The activity of providing grant funding is not aimed at upholding children / young people's rights.

4.6. Overall Outcome

No Negative Impacts Identified.

No negative impacts are anticipated as the pilot service is not aimed at children.

5. Equalities and Fairer Scotland Duty Impact Assessment

5.1. Protected Groups

Indicator	Positive	Neutral	Negative	Unknown
Age (Younger)		Yes		
Age (Older)		Yes		
Disability		Yes		
Race		Yes		
Religion or Belief		Yes		
Sex		Yes		
Pregnancy and Maternity		Yes		
Sexual Orientation		Yes		
Gender Reassignment		Yes		
Marriage or Civil Partnership		Yes		

5.2. Socio-economic Groups

Indicator	Positive	Neutral	Negative	Unknown
Low income		Yes		
Low wealth		Yes		
Material deprivation		Yes		
Area deprivation		Yes		
Socioeconomic background		Yes		

5.3. Evidence

Type	Source	It says?	It Means?
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Type	Source	It says?	It Means?
External Data	Scottish Household Survey (SHS) 2018	<p>-In Scotland younger and older people are more likely to travel by bus. 61% of 16-19 year olds, and 50% of 70-79 year olds had used the bus in the last month, compared to 35% of 50-59 year olds.</p> <p>-In 2017/18 35% of bus journeys in Scotland were undertaken by concessionary pass holders.</p> <p>-Only 29% of permanently sick or disabled people aged 17 & over held a driving licence in 2018, compared to 70% of all people aged 17 & over.</p> <p>-White Scottish (41%) and White other British (39%) people are least likely to have taken a bus in the past month. People from other ethnic groups (not White or Asian) are most likely to have taken a bus (64%).</p>	<p>Changes to bus services will potentially have a greater impact on the following groups: older and younger people, disabled people, women and people from ethnic minorities.</p> <p>People more likely to travel by bus and consequently be affected by a change in approach to bus service delivery include older, younger, disabled and people from ethnic minorities.</p> <p>The DDRT service has the potential to positively affect such groups.</p>

5.4. Overall Outcome

No Negative Impacts Identified.

It is not anticipated that this will lead to any negative impacts. Grant funding is being provided to Stagecoach for a pilot DRT service and associated back-office system and the outcome will only be known after the pilot is evaluated. The provision of a new transport service has the potential to have positive impacts but whether these are realised will depend on a number of factors such as: unmet demand/need (what is the nature of any unmet demand), bus availability (e.g. is the bus available at the time/place that the passenger wants) and the impact on existing bus services (e.g. will any existing journeys be withdrawn or will the DRT service be additional to existing services). These issues should become clearer over the course of the pilot project.

6. Health Inequalities Impact Assessment

6.1. Health Behaviours

Indicator	Positive	Neutral	Negative	Unknown
Healthy eating		Yes		
Exercise and physical activity		Yes		
Substance use – tobacco		Yes		
Substance use – alcohol		Yes		
Substance use – drugs		Yes		
Mental health		Yes		

6.2. Evidence

Type	Source	It says?	It Means?
External Data	NatSen social research: Transport, Health & Wellbeing	Well designed transport systems can improve the wellbeing of older people and people with disabilities.	The pilot DRT service could have wellbeing benefits but this cannot be known until after it has been operational for some time.

6.3. Overall Outcome

No Negative Impacts Identified.

It is not anticipated that funding will lead to any negative impacts. It will be used for a pilot DRT service and associated back-office system and the outcome can only be known after the pilot is evaluated. The provision of a new transport service has the potential to have positive impacts but whether these are realised will depend on a number of factors such as: unmet demand/need (what is the nature of any unmet demand), bus availability (e.g. is the bus available at the time/place that the passenger wants) and the impact on existing bus services (e.g. will any existing journeys be withdrawn or will the DRT service be additional to existing services). These issues should become clearer over the course of the pilot project.

7. Sustainability and Climate Change Impact Assessment

7.1. Emissions and Resources

Indicator	Positive	Neutral	Negative	Unknown
Consumption of energy				Yes
	Will find out by: Stagecoach might be able to evaluate this at the end of the pilot project by comparing bus service miles in the affected area before and after the pilot service. If so, we will ask Stagecoach to share their findings.			
Energy efficiency				Yes
	Will find out by: Stagecoach might be able to evaluate this at the end of the pilot project by comparing bus service miles and engine types in the affected area before and after the pilot service. If so, we will ask Stagecoach to share their findings.			
Energy source		Yes		
Low carbon transition		Yes		
Consumption of physical resources		Yes		
Waste and circularity		Yes		
Circular economy transition		Yes		
Economic and social transition		Yes		

7.2. Biodiversity and Resilience

Indicator	Positive	Neutral	Negative	Unknown
Quality of environment		Yes		
Quantity of environment		Yes		
Wildlife and biodiversity		Yes		
Infrastructure resilience		Yes		
Council resilience		Yes		
Community resilience		Yes		
Adaptation		Yes		

7.3. Evidence

Type	Source	It says?	It Means?
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Type	Source	It says?	It Means?
External Data	Bus industry	Electric buses are better for the environment than diesel buses.	The pilot service will be operated by an electric bus with zero emissions so will have a neutral impact but if the DDRT service leads to the withdrawal of fixed route journeys then emissions will further decrease which will have a positive impact on energy consumption/efficiency.

7.4. Overall Outcome

No Negative Impacts Identified.

Council funding is being provided for Stagecoach to trial the operation of a DRT bus service and the associated back-office system. No negative impacts are anticipated but the outcome will not be apparent until after the pilot is evaluated.

8. Town Centre's First Impact Assessment

8.1. Local Factors

Indicator	Positive	Neutral	Negative	Unknown
Town centre assets		Yes		
Footfall				Yes
	Will find out by: The DDRT service design is still to be finalised, subject to a service simulation exercise. Whether there is any impact on footfall in Ellon can only be assessed after the pilot period. It will depend on factors such as the service operating area and whether additional trips are generated or passengers transfer from existing timetabled bus services.			
Changes to road layouts		Yes		
Parking		Yes		
Infrastructure changes		Yes		
Aesthetics of the town centre		Yes		
Tourism		Yes		
Public safety		Yes		
Town centre business		Yes		
Cultural heritage and identity		Yes		
Social and cultural aspects		Yes		

8.2. Evidence

Type	Source	It says?	It Means?
External Data	Transport Focus, DfT, Nestrans and other transport-related research on the impact of Covid-19	Due to Covid-19 more people are working from home, people have been made redundant or furloughed, there has been an increase in tele-health appointments compared to face-to-face appointments, there has been an increase in on-line shopping.	It is difficult to predict passenger demand for the proposed DDRT pilot service.

8.3. Information Gaps

The bus service design has yet to be finalised and it is likely to evolve during the course of the pilot. It is also not known whether existing bus service journeys will be withdrawn. It is therefore not known whether there will be an impact, either positive or negative, on Ellon.

8.4. Measures to fill Information Gaps

Measure	Timescale
Stagecoach will be asked to share any relevant data following evaluation of the pilot service.	By May 2023

8.5. Overall Outcome

No Negative Impacts Identified.

The grant award will contribute towards the funding of a DRT service on a pilot basis for less than one year. Initially it is understood that the bus service will operate in addition to existing bus services so it may have some positive impact, e.g. on access to healthcare. However, during the pilot existing timetabled bus journeys may be withdrawn resulting in a neutral effect.

9. Action Plan

Planned Action	Details
Obtain relevant data from Stagecoach Bluebird such as mileage operated, customer satisfaction ratings etc, at the end of the pilot project.	<p>Lead Officer Marion MacKay</p> <p>Repeating Activity No</p> <p>Planned Start Monday April 03, 2023</p> <p>Planned Finish Friday April 28, 2023</p> <p>Expected Outcome A better understanding of the impacts on town first, health and wellbeing and sustainability.</p> <p>Resource Implications Within PTU staff resources.</p>
Obtain passenger trip data, by ticket class, from Stagecoach Bluebird on a monthly basis following the introduction of the DDRT service.	<p>Lead Officer Marion MacKay</p> <p>Repeating Activity Yes</p> <p>Frequency Monthly</p> <p>Duration From after the DDRT pilot service starts until funding ends in March 2023.</p> <p>Expected Outcome An understanding of how the service is used by passengers including a breakdown by adult, older and/or disabled people and young people.</p> <p>Resource Implications Within PTU staff resources.</p>

Appendix 2

Stagecoach Bluebird's DRT Proposal: Newburgh/Balmedie area

- Service start date: April/May 2022.
- Provisional service area: to include Balmedie, Foveran, Collieston, Newburgh, Potterton, Belhelvie. Connections to be offered onto mainline A90 buses.
- Service operating hours: 06:00 to 19:00 hours on Monday to Saturday, excluding driver breaks.
- Vehicle: one wheelchair-accessible zero-emissions electric minibus, EVM e-Cityline minibus (based on EVM Cityline/Mercedes-Benz Sprinter), with capacity for 15 seated passengers and 4 standees.
- Passenger bookings and system management: Booking and dispatch software system to be monitored by a dedicated service controller, providing assistance to passengers and drivers. Journeys to be booked through a dedicated mobile app or by phoning/emailing Stagecoach.
- Fares and ticketing: Passengers able to pay fares using the app or on-bus either by contactless payment or cash. A range of bus tickets including through-fares to be available. Free bus passes accepted.
- Detailed Service design: a simulation exercise to be conducted prior to the service introduction to inform final service design, e.g. operating area, bus interchange locations and booking rules.

Initially the service would be introduced in addition to the existing timetabled bus journeys operating in the area. During the course of the pilot opportunities will be explored to rationalise other bus services, e.g.

- Supported Service 64 (Blackdog – Aberdeen) could be withdrawn.
- BuchanXpress services (X60/X63/X67/X68, 61, 68) and services 50/53 could be rationalised to focus on the main A90 corridor with stops at Blackdog and Foveran removed during hours of DRT operation.
- Supported Service 290/291 (Methlick – Aberdeen) could be reviewed, in particular the smaller settlements between Potterton and Pitmedden.