PURPOSE OF REPORT

To provide Members with details of the new contract award for the Manchester Metroshuttle service

RECOMMENDATIONS

Members are asked to:

i. Approve the proposed change to the Manchester Metroshuttle service;

ii. Note that details of the service cost and funding arrangements are included in a separate report to Part B of this meeting.

iii. Note that further reports will be submitted to this committee with details on the performance of the service

BACKGROUND DOCUMENTS

Manchester Metroshuttle Service Patronage and Performance – March 2018
1. **Introduction and Background**

1.1 Manchester Metroshuttle is a free to use bus service that was first introduced in Manchester city centre in September 2002 replacing the previous Centreline city centre operation.

1.2 It is currently operated using vehicles provided by TfGM (3 electric and 17 low carbon diesel-electric hybrid buses). The current service operations are funded from TfGM’s Supported Bus Service Revenue Budget and Manchester City Council (MCC).

1.3 During GMCA’s Transport Revenue Budget setting process for 2018/19 it was agreed that the TfGM funding for the Manchester Metroshuttle service be reduced by £0.2 million on an annualised basis (£0.1 million in 2018/19) from targeted savings in the delivery of the service.

1.4 The current contract was awarded to First Manchester in 2010 and reaches its 8 year maximum contract length in October 2018. As a result, TfGM has undertaken a procurement exercise to re-tender the contract.

1.5 The service has seen a decline in patronage over recent years, which is likely to be a result of increasing availability of alternative cross-city Metrolink and bus services supporting the City Centre Strategy, therefore the service offer which was tendered has been reduced from three routes to two. These changes to the service have been subject to discussions with, and agreement with MCC.

1.6 Subject to final approval, it is anticipated that a funding contribution of 50% will be made by MCC in respect of the new contract.

1.7 Subject to final approval, the core daytime contract will now also include a peak time-only extension of the service to Salford Central Station, with a 50% funding contribution from Salford City Council (SCC) for the extension.

1.8 The purpose of this report is to detail the outcome of the Metroshuttle contract renewal process and wider changes being proposed to the service.

2. **Operational Service Changes**
2.1 The service specification as tendered reduces the service to two routes, both commencing from Piccadilly Station and reaching the most popular trip attractors, whilst maintaining a 10 minute frequency, as detailed below and shown in Appendix 1:

2.2 Service 1: Largely maintains the current Service 3 route, operating through the centre of the city’s shopping district through to Spinningfields, Peter Street and Manchester Central and an amended route, returning from Spinningfields to Piccadilly Station.

2.3 Service 2: Combines the routes of the current Services 1 and 2 and operating in a clockwise direction via Victoria Station, removing duplication on the service itself and the Metrolink network, operating via Whitworth Street to retain links to Oxford Road and Deansgate Rail Stations.

2.4 Subject to final approval, Service 2 will also extend to Salford Central Station during peak hours, with a 50% funding contribution for this element of cost from Salford City Council.

2.5 The operational hours of both routes are extended to offer a later evening service on Monday to Saturday, with the last departure times being extended from approximately 19:00 to approximately 22:00.

3. **New Contract and Funding Arrangements**

3.1 A full OJEU (open procedure) procurement process was undertaken in line with the Public Contracts Regulations 2015, and bids received were evaluated on the basis of a quality / price split of 40% / 60% respectively. The service specification was designed to emphasise the need for a heightened level of service delivery quality and requested operators to detail their approach to such matters as contract mobilisation, driver aptitude, service continuity and provision of data.

3.2 Details of the recommended operator are included in the report to Part B of this meeting.

3.3 The costs of operating the core daytime service, as well as the funding arrangements which are proposed for TfGM, MCC and SCC, are also provided in the report to Part B of this meeting.

4. **Vehicles and re-branding**

4.1 The revised two-route service will reduce the peak vehicle requirement from 17 (plus 3 spares) to 10 (plus 3 spares). The remaining 7 vehicles will be cascaded onto the general network to operate on tendered services, which will deliver savings over time. All vehicles will be subject to refurbishment, for use on the city centre service or for wider redeployment.
4.2 A new service branding is planned to be introduced as part of this refurbishment work, in readiness for the contract renewal, in order to re-launch the service. To simplify the concept, in particular, for visitors to the city, it is proposed that the service be renamed ‘Free bus: around the city’. At the same time, to enhance the local nature of the services and to inject some individualism and personality, each of the 13 buses will display a fact or quote about Manchester on the side windows.

4.3 The vehicles will be non-route specific in order to improve resilience and allow use of the fleet interchangeably across both services. The proposed new livery is designed to be a break from the current Metroshuttle fleet and an attractive addition to the city centre streets. Consideration has been made for cost-effective practicality as well as being suitable for advertisers (i.e. not too distracting). Work is on-going to sell advertising space and explore the possibility for rear wraps on a number of the vehicles on the run-up to Christmas.

4.4 The re-launch of the service also requires an update to the route infrastructure across the city centre.

5. Conclusions and Proposed Way Forward

5.1 The new operating contract for the Manchester Metroshuttle service is recommended for award, as detailed in the additional report to Part B of this meeting, for a three-year period starting 28 October 2018. The service will continue to be operated by TfGM’s fleet of electric and diesel-electric hybrid vehicles, which will be subject to a refurbishment and re-branding.

5.2 The service will be reducing from 3 routes to 2 routes, providing key links across the city centre, while delivering the required budget reduction by reducing the number of vehicles from 20 to 13.

6. Next Steps

6.1 If approved, the recommended operator will proceed with a mobilisation plan to ensure the service is ready to be re-launched at the end of October.

6.2 The vehicles refurbishment programme will be closely managed to ensure any impact on the existing service is minimised as much as possible, with all vehicles anticipated to be completed by the end of January 2019, albeit the old branding would be removed in time for the new service start.

7. Recommendations

7.1 See front sheet of report for recommendations
Alison Chew
Interim Head of Bus Services
Appendix 1:

**Free bus**

Route proposal including Salford

**Route 1:**
Piccadilly Rail Station via Station Approach, Piccadilly, Portland Street, Charlotte Street, King Street, Cross Street, Market Street, St Mary’s Gate, Deansgate, Quay Street, Byrom Street, Hardman Street, Deansgate, Peter Street, Mount Street, Albert Square, Cross Street, King Street, York Street, New York Street, Portland Street, Chorlton Street, Aytoun Street, Auburn Street, Station Approach to Piccadilly Rail Station.

**Route 2 (including Salford Central Rail Station during AM/PM peak):**
Piccadilly Rail Station via Station Approach, London Road, Fairfield Street, Whitworth Street, Whitworth Street West, Deansgate, Quay Street, New Quay Street, Irwell Street, Trinity Way, Chapel Street, New Bailey Street, Bridge Street, Deansgate, Victoria Bridge Street, Chapel Street, Victoria Street, Hunts Bank, Victoria Station Approach, Todd Street, Corporation Street, Withy Grove, Shudehill, Thomas Street, High Street, Church Street, Dale Street, Ducie Street, Victoria Station Approach to Piccadilly Rail Station.