

Part A

Report to: Cabinet

Date of meeting: 9 September 2019

Report author: Managing Director

Title: Sustainable Transport Programme (STP) – Overview Report

1.0 Summary

- 1.1 Sustainable transport (ST) is one of the Mayor's commitments embedded into the Council's Corporate Plan. Three key initiatives to support delivery of the commitment are presented for approval to Cabinet: a bike share (cycle hire) scheme; a demand responsive transport scheme (DRT) and the Watford Transport App. These initiatives support the provision of sustainable transport given the ever-increasing pressure on the transport network, particularly in the light of additional growth for Watford, which is expected to be around 800 new dwellings per year.
- 1.2 The three initiatives form part of a wider ST programme that is funded within the Medium Term Financial Strategy (MTFS) and the detailed budget requirement in each case will be summarised in the specific reports set out later on the Cabinet agenda, noting that the Bike Share and DRT schemes are still subject to procurement commercial procedures.

2.0 Recommendations

Cabinet is asked to:

- 2.1 Note the three main initiatives within the Mayor's ST Programme;
- 2.2 Note that the costs of the initiatives can be met within the MTFS allocation for ST schemes;
- 2.3 Approve the contract management and governance arrangements as set out in paragraph 4;
- 2.4 Note that separate reports are presented on the Cabinet agenda with the details of each procurement outcome.

3.0 Sustainable Transport Programme

The main programme comprises the following key projects:

3.1 Transport App

3.1.1 The App will be where customers will go for information on:

- the travel choices and options open to them based on where they are and where they want to go. This will include:
 - the different transport options (and combination of options) for their specific journey
 - the cost of different transport options for their specific journey
 - wait times or constraints for the different options for their specific journey (e.g. next bus is due in 15 minutes; there are currently 0 taxis in the nearest taxi rank)
 - available transport facilities in Watford, including parking spaces and Electric Vehicle (EV) charging facilities
 - the link to booking sites for transport options that have their own booking platforms e.g. on-demand bus, cycle hire scheme
 - Booking and paying for transport options that don't have an independent booking platform (if they are developed through the programme)

3.1.2 The transport options that the App should ultimately provide information about include (not exclusively):

- Trains (overground and underground) at all Watford stations
- Fixed route buses
- On-demand bus
- Bike Share (Cycle hire)
- Private hire/mini-cabs
- Parking
- Walking
- Cycling
- EV charging
- Car clubs

3.1.3 The App provider has been selected and the procurement details and operator chosen is set out on the Cabinet agenda. The App will be available in spring 2020.

3.2 Bike Share Scheme and Cycling Infrastructure

A number of bike share schemes have been introduced across towns, cities and universities in the UK since 2010. The council appointed consultants 'Systra' to undertake a feasibility study for a Watford bike share scheme and this was completed in the summer of 2018.

Based on research and current market intelligence, it was decided that Watford's scheme would be a hybrid 'docked' scheme with fixed docking stations/areas and flexible overflow parking with 'geo-fencing' capability to avoid bikes being parked haphazardly. This design enables high visibility of bikes at key locations, increased security of bikes and a responsible provision of sustainable transport, without the

potential for the street clutter associated with a 'dockless' scheme. There will be approximately 70 docking stations installed across the borough, of varying size and design, in order to fit in with the existing public realm.

The council specified that it required both pedal bikes and e-bikes and requested the operator determine the optimum size of a fleet recommended to cover an operational zone of the Watford borough boundary, with additional docking stations proposed at key hubs just across the boundary line e.g. Croxley Business Park and Warner Bros Studios.

Bike share schemes are designed as a digital service with registration, hiring, payment and wayfinding via an App – 99% of interactions are via the App.

Hours of Operation – the council specified that it required 24 hours a day, 7 days a week, all year round operation.

The council has selected a preferred operator and details of the procurement process and outcome are provided in the subsequent report on the Cabinet agenda. The scheme will commence in March next year.

In terms of **cycle infrastructure** the following improvements are planned as part of the ST programme:

Cassiobury Park Cycle Paths

Initial meetings have confirmed a number of challenges in enabling cycling from Rickmansworth Road to the Hub, with also a need to look at a cycling path from the carpark to the Hub and Cha Cha Café, and from the Hub to the canal. The benefits of a shared surface or a dedicated path have been assessed and a solution is being designed so that it is in place for the Bike Share launch.

Enhanced and renewed Cycle Hub

The Cycle Hub in Holywell is a social enterprise providing training, maintenance, community activity and support for cyclists. The Council has made provision to provide new facilities for the hub which will be completed by the end of March 2020. The hub will be able to support the new Bike Share operator.

'Quiet Ways'

The Council is working with HCC and Sustrans on proposals for quiet ways that are well signposted and have appropriate road markings and improved surfaces for cyclists as an alternative to main roads. These quiet ways would then form part of Watford's cycle network for access to key destinations such as Vicarage Road, Clarendon Road, St Albans Road, Watford High Street and Cassiobury Park. This project will take a while to complete, but significant progress is expected by March 2020 for the Clarendon Road, High Street and Cassiobury Park routes.

3.3 Demand Responsive Transport

The Demand Responsive Transport (DRT) initiative aims to reduce the congestion on Watford's roads/parking, promote more sustainable modes of travel and improve air quality. DRT supports the programme's objectives to:-

- Encourage a change in the way we use local transport as 'a way of life'
- Improve Watford as a sustainable transport town
- Improve accessibility and mobility within the town
- Improve health and wellbeing.

Due to its compact urban nature (approx. 8 square miles), Watford lends itself to this type of transport system. It is expandable and scalable as demand increases and in the schemes researched there has been an expansion of the operating area (or it is currently under consideration) due to latent demand, which can be measured using the App technology.

Tenders were invited from providers of demand responsive transport services to introduce an initial on-demand ride-share scheme to Watford, with the ability to scale-up the service beyond Watford Borough boundaries into the outer regions of neighbouring local authority districts upon prior agreement with them.

This will form a key part of the Council's sustainable transport strategy to encourage a modal shift in travel behaviours and relieve pressure on the transport network.

The target market of the Watford DRT scheme will be:

- existing users of private vehicles
- those who do not have access to a private vehicle
- those who wish to use public transport, but are hampered by the inflexibility of current fixed bus routes, timetables and fares
- residents of new car-lite/car-free housing developments
- passengers who are open to using app technology to obtain a shared ride service
- journeys that are generally not covered by fixed bus routes
- those who live in, work in and visit Watford.

The Council's priority outcomes for the contract are:

- provision of a reliable, high quality and safe service
- availability of on-demand transport to people with limited or no access to their own private vehicle or public transport
- improved accessibility for disabled passengers

- fewer private vehicles on the road
- relieving pressure on overcrowded routes
- improved journey times
- delivering a long term sustainable mode of transport
- providing local economic benefit
- change in transport behaviours.

The Council's core requirements covered:

- provision of a high quality fleet of vehicles, with capacity to expand, directly employed well trained staff and good disabled access
- provision of a suitable maintenance depot
- 7 day a week services with extended hours of operation
- provision of an app that would enable customers to book, locate and pay for their journey, with real time information, ETA and virtual stops
- an area of operation that covered Watford, Leavesden and Croxley Park
- implementation by end of March 2020.

The successful operator has been selected and the detailed scheme they will implement is described in a subsequent report on this agenda.

4.0 Contract Management and Governance

The new contract services for DRT, Bike Share and the Transport App will be managed within the Community & Environmental Services team alongside other key contracts such as with Veolia, SLM, HQ Theatres and the Market. A new contract manager post will be required to cover the monitoring, partnership and compliance responsibilities. The cost of the post, including on-costs will be £45k pa.

It is proposed that a Sustainable Transport Partnership Board is established that will oversee the business plan and performance of all three providers, meeting twice a year, chaired by the Mayor. Terms of reference will be drawn up.

5.0 Financial Implications

The Council's approved MTFs makes the following provision and estimates for the ST programme and the procured contracts will be within the budget envelope provided which in aggregate are:

- **A revenue allocation of £2,287k over 4 years for the costs of the Bike Share, DRT and Transport App**
- **A capital allocation of £1,852k for the capital costs of the Bike Share scheme, Transport App, cycle and road infrastructure improvements over 4 years**
- **A one-off capital allocation of £350k for the costs of renewing the Cycle Hub.**

The contract management costs of the newly procured services can be contained within the revenue allocation. The costs of the different elements will be brought forward for approval as part of the individual scheme approvals.

6.0 Legal Implications

The council has followed its procurement policies to procure the operators. The Transport App and the DRT both went through the negotiated procedure and the bike share was secured through an open tender process.

Counsel's advice was also obtained in relation to the ability of the council to provide a subsidy to the DRT and bike share operators in relation to compliance with state aid rules. In both cases the advice received was that it was permissible for the council to provide a subsidy provided that the services were tendered in an open and transparent manner and that no provider would provide the services in Watford without a subsidy. As stated above all tenders were procured through the relevant Public Procurement Regulations and the market testing has demonstrated that neither the DRT nor the bike share would be provided without a subsidy.

Counsel was also asked to advise on the council's legal powers to enter into these contracts and has advised that the council has sufficient powers under s 1 Localism Act 2011.