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**Please find attached the report in respect of Item 14 on  
the agenda for the above meeting**

14.	<b>Demand Responsive Transport</b> (Pages 3 - 12)  Consider report by Director Infrastructure and Environment. (Copy attached.)	15 mins
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## **BERWICKSHIRE DEMAND RESPONSIVE TRANSPORT TRIAL EXTENSION**

**Report by Director Infrastructure and Environment**

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### **SCOTTISH BORDERS COUNCIL**

**16 February 2023**

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#### **1 PURPOSE AND SUMMARY**

- 1.1 This report proposes that the Council notes the progress of the PINGO Berwickshire Demand Responsive Transport Trial and agrees to an extension of the pilot to 31 March 2024 at a cost of £304,000.00, the funding of which will be subject to consideration as part of the Council's 2023/24 financial planning process.**
- 1.2 In February 2022, Scottish Borders Council allocated £320,000 of funding for a Demand Responsive Transport pilot in the Scottish Borders.
- 1.3 Berwickshire was identified as the area which would benefit most from the introduction of a Demand Responsive Transport pilot.
- 1.4 The Pingo Demand Responsive Transport service launched in Berwickshire on 2 May 2022 and is delivered by Borders Buses.
- 1.5 Scottish Borders Council Officers with support from the workforce mobility project, continue to work closely with Borders Buses and the routing company to develop the service.
- 1.6 It is clear from the data analysis of trips to date that Pingo has enabled many of the key target groups to access transport. The service remains popular amongst all users, particularly under 22s who account for 40% of all trips.
- 1.7 The Pingo service is widely recognised by other local authorities as being a leading example of how DRT can perform particularly in a rural area.
- 1.8 A consultant's report is being prepared for Scottish Borders Council which will detail the economic benefits that have arisen in the Berwickshire area out of the Pingo trial.

1.9 In order to fully realise the potential that Demand Responsive Transport can have in rural areas it is recommended that this Berwickshire Pingo Pilot is extended for a further 12 months.

## **2 RECOMMENDATIONS**

2.1 **I recommend that Scottish Borders Council:-**

- a) Notes the progress of the PINGO Berwickshire pilot to date.**
- b) Agrees to extend the pilot for a further 12 months at a cost of £304,000.00, the funding of which will be subject to consideration as part of the Council's 2023/24 financial planning process.**

### **3 BACKGROUND**

- 3.1 In May 2021 Scottish Borders Council Officers submitted a bid to the UK Community Renewal Fund (CRF) to pilot Demand Responsive Transport across 6 prescribed zones in the Scottish Borders.
- 3.2 It was anticipated that the information gathered from the DRT pilot would be used to feed into the wider local transport network review, helping officers to understand how Demand Responsive Transport could support fixed route bus services in rural areas through the creation of journey opportunities.
- 3.3 The Community Renewal Fund bid was unsuccessful however, in February 2022, Scottish Borders Council allocated £320,000 of funding for a Demand Responsive Transport pilot in the Scottish Borders.
- 3.4 Of the 6 zones identified in the UK community renewal fund bid, Berwickshire was identified as the area which would benefit most from the introduction of a Demand Responsive Transport pilot.
- 3.5 Berwickshire is predominately in the highest category of the Workforce Mobility Deprivation Index, it also has a good density of population and two key fixed bus routes (east/west) with connections into the new Reston Station.
- 3.6 These factors gave it a high likelihood of success, enabling meaningful data to be collected for commercialising services or submitting a bid to the Shared Prosperity Fund.

### **4 PINGO - BERWICKSHIRE DRT PILOT**

- 4.1 Scottish Borders Council undertook a procurement exercise inviting all local transport operators to bid for the service. Borders Buses were identified as preferred bidders to undertake the pilot and were awarded the contract.
- 4.2 On the 2nd of May 2022, Scottish Borders Council, supported by the Workforce Mobility Project, launched the PINGO Demand Responsive Transport pilot in the Berwickshire locality.
- 4.3 Customers can download the "Ride Pingo" app to their mobile phone, allowing them to book their journey quickly and easily, track the progress of their bus as it makes its way to the selected pick-up point and select from multiple payment options.

- 4.4 Pingo is supported by two customer service agents who are on hand, answering calls and providing assistance to customers who either don't want to use the app or who need help booking their journeys. This provides a vital human touch and ensures that Pingo is accessible to all.
- 4.5 Borders Buses invested £110,000 per vehicle on two new, 16-seater, wheelchair accessible minibuses with bicycle carrying capacity which are efficient, comfortable and provide ample opportunity for shared journeys.
- 4.6 The service operates 07:00 to 21:00 Monday to Sunday
- 4.7 The objectives of the pilot are;
- Reduce dependence on private car;
  - Improve access to key services;
  - Increase employment opportunities;
  - Improve access to transport for young people; and
  - Reduce Social Isolation.

## **5 PROGRESS TO DATE**

- 5.1 An extensive marketing and social media campaign launched the service with a dedicated social media page for PINGO also being introduced which now has over 2,000 members.
- 5.2 The ride PINGO app is the main source of bookings with 84% of all trips being booked through the app, 16% of bookings are made using the dedicated PINGO hotline.
- 5.3 33% of all trips are pre booked, with 67% of bookings being made whilst the vehicle is in service.
- 5.4 Since 2 May 2022 to 15 January 2023, almost 9,500 journeys have been made on PINGO with the service on track to exceed 12,000 journeys by 31 March 2023.
- 5.5 The service is widely recognised by other local authorities as being a leading example of how DRT can perform particularly in a rural area. The service remains popular amongst all users, particularly under 22s who account for 40% of all trips.

## **6 NEXT STEPS**

- 6.1 Scottish Borders Council Officers have partnered with East Lothian Council, SESTRANS and transport operators to create a DRT working group following the launch of a new DRT service in East Lothian with a view to sharing experiences and best practice.

- 6.2 A consultant's report is being prepared for Scottish Borders Council which will detail the economic benefits that have arisen in the Berwickshire area out of the Pingo trial.
- 6.3 Scottish Borders Council Officers with support from the workforce mobility project, continue to work closely with Borders Buses and the routing company to develop the service with regular meetings taking place to discuss performance and opportunities
- 6.4 A guaranteed pre booking service will go live on 13 February 2023 which will be followed by Pingo Journey which enable passengers to hail Demand Responsive Transport and plan their journey using all the existing available transport modes in real time

## **7 EXTENSION OF THE PILOT FOR A FURTHER 12 MONTHS**

- 7.1 It is clear from the data analysis of trips to date that Pingo has enabled many of the key target groups to access transport, including under 22's, concessionary card holders, customers requiring assistance or space for wheelchairs and the active travel market.
- 7.2 The service has also created job opportunities in Berwickshire for bus drivers and office staff who manage the service on a day to day basis.
- 7.3 Pingo is also providing benefits to accessibility in Berwickshire, for residents and local businesses.
- 7.4 With further developments such as guaranteed pre booking and Pingo journey coming online there will be further opportunities for residents and businesses in the Berwickshire area.
- 7.5 There is also significant scope to improve operational efficiency through interworking with school services to provide a more reliable service to passengers, which could increase the value of benefits and may also reduce operating costs.
- 7.6 There are opportunities for taxi operators to become involved in the service to maximise journey potential.

- 7.7 In order to fully realise the potential that Demand Responsive Transport can have in rural areas it is recommended that this Berwickshire Pingo Pilot is extended for a further 12 months.
- 7.8 This will enable Council Officers to work with partners to further enhance the service following new developments coming online whilst considering how the service can be run more efficiently, creating more journey opportunities which can then be fed into the wider Local Transport Network Review.
- 7.9 As the original contract did not allow for any further extensions the Council will undertake a negotiated procedure without prior publication under Regulation 33 of the Public Contracts (Scotland) Act 2015.
- 7.10 It is important to note that the Network Review, which is currently being progressed, will help identify the long term role that DRT will play in the Scottish Borders. Once complete the findings of the network review will be taken through the Council's committee process for further consideration.

## **8 IMPLICATIONS**

### **8.1 Financial**

- a) The gross cost of operating the Pingo Demand Responsive Transport service for a further year plus additional operating costs from 1st of April 2023 to 31st of March 2024 equates to £382,000.
- b) It is anticipated that the service will generate in the region of £30,000.00 in income over the 12 month period based on current passenger numbers.
- c) An earmarked balance of £48,000 relating to Demand Responsive Transport from 2022/23 into 2023/24 has been requested as part of the December monitoring, which will be presented to Executive on 14<sup>th</sup> February.
- d) Accounting for anticipated income of £30,000 and if approval is gained for the £48,000 earmarked balance this would reduce the additional budget requirement in 2023/24 to £304,000.
- e) Optimising the service through interworking with school services will reduce the daily costs, this is currently being explored.
- f) A report is currently being prepared which will also outline the economic benefits to the Berwickshire area following the introduction of the Pingo Service.



## 8.2 Risks and Mitigations

Risk of Extending	Mitigations
<p>Extending the service in Berwickshire may lead to dissatisfaction from other constituencies.</p>	<p>Early engagement required to raise awareness that the results of the pilot will feed into the wider network.</p>
<p>Further procurement activity may be required to extend the contract.</p>	<p>Early engagement with procurement colleagues.</p>
<p>Contract value would exceed 50% of the current costs</p>	<p>Optimising the service further would reduce the impact.</p>
<p>Further procurement may lead to increased costs.</p>	<p>Extend under negotiated procedure without prior publication.</p>
<p>The current operator may be unable to extend.</p>	<p>Early engagement with operator on preferred course of action.</p>
<p>Extending with the current operator may lead to other bus operators being dissatisfied.</p>	<p>Early engagement with Procurement.  No other operators bid for the Berwickshire zone</p>
<p>Possible financial risks to taxi operators.</p>	<p>Taxi operators to be engaged with regards to being involved in service provision.</p>
<p>Risk of challenge under procurement regulations.</p>	<p>Unlikely to be challenged given only one bidder when contract was initially procured.</p>
Risks of not Extending	Mitigations
<p>Key information associated with optimisation and further development not being available to feed into the network review.</p>	<p>Information gathered to date can be used.</p>
<p>Unable to improve the efficiency of the service.</p>	<p>Consideration can be given to School transport interworking with DRT in the network review.</p>
<p>Missed opportunities for taxi operators.</p>	<p>Taxi operators can be involved in future DRT proposals.</p>
<p>Dissatisfaction among Berwickshire residents at loss of service.</p>	<p>Data gathered will be used to feed into future DRT services across the region.</p>
<p>Loss of access to key services.</p>	<p>Possible Community Transport opportunities.</p>

Reduction in public transport journeys.	Data gathered will be used to shape the transport network.
Reduction in the number of under 22 journeys.	Existing services can be used where available
Increased car use	Existing services can be used where available
Loss of jobs associated with the operation of the service	Possible job opportunities with the operator in other areas
Increased social isolation	Existing services can be used where available

### **8.3 Equalities Impact Assessment**

A full Integrated Impact has been undertaken and concludes that the proposal should be implemented with no amendments. Extending the service for a further 12 months will enable officers to assess the service against new software developments that are due to come on stream in February 2023 whilst also looking at opportunities to optimise the service through integration with other services in the Berwickshire locality. This data will be used to feed into the wider local transport network review.

### **8.4 Sustainable Development Goals**

In the 2030 Agenda for Sustainable Development, sustainable transport is mainstreamed across several SDGs and targets, especially those related to food security, health, energy, economic growth, infrastructure, and cities and human settlements. The importance of transport for climate action is further recognized under the UNFCCC - the transport sector will be playing a particularly important role in the achievement of the Paris Agreement, given the fact close to a quarter of energy-related global greenhouse gas emissions come from transport and that these emissions are projected to grow substantially in the years to come.

### **8.5 Climate Change**

Public transportation is a crucial part of the solution to climate change. It can help reduce emissions of greenhouse gases and other pollutants while providing people with an efficient and affordable way to get around. Studies on public transport have shown that switching from car to public transportation can reduce a person's carbon footprint by up to 1.5 metric tons per year.

In addition to reducing emissions, public transportation can also help reduce traffic congestion and save people money. Mass transit systems such as buses can move many people quickly and efficiently reducing the number of single car journeys which ultimately lead to increased congestion.

## 8.6 Rural Proofing

Not applicable as this is not a new policy or strategy.

## 8.7 Data Protection Impact Statement

There are no personal data implications arising from the proposals contained in this report.

## 8.8 Changes to Scheme of Administration or Scheme of Delegation

No changes to either the scheme of Administration or the scheme of delegation are required as a result of this report.

## 9 CONSULTATION

9.1 The Director (Finance & Corporate Governance), the Monitoring Officer/Chief Legal Officer, the Chief Officer Audit and Risk, the Director (People Performance & Change), the Clerk to the Council and Corporate Communications have been consulted and any comments have been incorporated into the final report.

9.2 Our Procurement Team have also been consulted.

### Approved by

**Name**

**John Curry**

**Title**

**Director – Infrastructure & Environment**

### Author(s)

Name	Designation and Contact Number
Gordon Grant	Principal Transport Officer
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**Background Papers: None**

**Previous Minute Reference: N\A**

**Note** – You can get this document on tape, in Braille, large print and various computer formats by contacting the address below. Jacqueline Whitelaw can also give information on other language translations as well as providing additional copies.

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