

Cabinet

Report Title:	Ipswich Park and Ride
Meeting Date:	14 June 2016
Lead Councillor(s):	Councillor James Finch, Cabinet Member for Highways and Transport
Local Councillor(s):	Councillors David Busby and Patricia O'Brien
Director:	Geoff Dobson, Director of Resource Management
Assistant Director or Head of Service:	Aidan Dunn, Assistant Director Strategic Finance
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Brief summary of report

1. The Ipswich Park and Ride service is an important part of the Town's transport infrastructure, providing a valuable service to commuters, visitors, shoppers and those accessing the hospital and railway station. The current service is seen as convenient and helps reduce traffic congestion and the associated environmental impact of cars. The Park and Ride service adds to the credibility of Ipswich as a vibrant town.

2. The current service is subsidised by the tax payer with the County Council historically paying over £700,000 per year for the service. Over recent months the County Council has led a working group to review the service and has developed a proposed new operating model which has the potential for the Park and Ride service to continue operating without reliance on tax payer funding.

3. The proposed new approach is to reroute and increase the frequency of some existing commercially run bus services so that they stop at the Park and Ride sites as part of their regular routes. In addition, the cost of running and maintaining the park and ride sites would be mitigated by cost reduction and income generation activities.

4. The proposed new approach is a significant change in the role of the Council in relation to the service, moving from being the direct funder of the service to the role of service enabler. Cabinet is therefore asked to approve the principles of the new service and then delegate authority to the relevant officer in

consultation with the Cabinet Member for Highways and Transport to finalise and implement the arrangements.

What is Cabinet being asked to decide?

5. The Cabinet is asked to:
 - a) Approve the principles of the new operating model for the Ipswich Park and Ride bus service as set out in paragraph 25 below.
 - b) Delegate authority to the Director of Resource Management, in consultation with the Cabinet Member for Highways and Transport to finalise the arrangements for the new bus service, and organise the smooth transition from the existing arrangements to the new model.
 - c) Delegate authority to the Director of Resource Management, in consultation with the Cabinet Member for Highways and Transport to undertake an options appraisal to determine the best use of the sites to minimise their net running costs, and implement that option.

Reason for recommendation

6. In February 2016 the Council approved the 2016/17 Council budget which included a requirement to review the Park and Ride service to *'find savings during 2016-17, with the intention of the service being self-funding by 2017-18. If the service is not able to become self-financing then the Council will consider closing the entire operation in order to achieve the required savings'*. Since that time officers have worked with transport operators and other stakeholders to develop a solution. The project is now at a stage where Cabinet approval is required to move into the next stage of implementation.

What are the key issues to consider?

7. There is no statutory requirement for Suffolk County Council to provide park and ride services. However the Park and Ride service in Ipswich is an important part of the Town's transport infrastructure for those wishing to access the Town Centre and other facilities without having to drive in. The service currently transports over half a million passengers a year.
8. The County Council is signatory to the Ipswich Vision. One of the Vision's 21 priorities is for the Park and Ride service to be included in an overall Car parking strategy for the town.
9. The Budget for the Park and Ride has already been reduced this year, and action needs to be taken to remain within budget.
10. Users of the service, Ipswich residents and stakeholders are sensitive to the changes being made and the implications for the reputation of the town if the service were to stop.

What are the resource and risk implications?

11. The proposed new approach is to change from a contract for services, to the operation of commercial routes. This transfers the financial and commercial risk of running of the service from the County Council to local bus operators.

12. From an overall service perspective any change which has a significantly adverse impact on customers could reduce the number of customers and thus the long term viability of the service.
13. Infrastructure changes are being requested to help make the new services as efficient as possible, to keep travel times as close to the existing services as possible. This will require investment by the County Council from existing highways improvement budgets. Proposed significant changes by the bus companies to road layouts and changing priorities that support quicker bus travel into town will require public consultation and support which could have an impact on construction dates.
14. Reducing the size of the Park and Ride car parks to enable other uses on the sites means loss of capacity to deal with peak periods or future growth.

What are the timescales associated with this decision?

15. There is a contractual requirement to give 6 months' notice to the existing operator of the Ipswich Park and Ride. Budget reductions have already been made meaning that savings need to be made as soon as possible. However, the project group is mindful that if the new service is launched too soon and without journey times similar to the current service, then customers may stop using the service and be hard to win back.
16. The key point is that any change of service will need to be supported by small scale infrastructure/traffic priority changes to ensure that customers are not lost. The operators are unlikely to be prepared to operate the new model if these changes are not made otherwise the likely loss of passengers will mean the commercial operation will not be viable. The target date for the start of the new service is therefore January 2017 although this will be kept under review.

Alternative options

17. The Council could close either or both of the Park and Ride sites and cease to provide a Park and Ride service into Ipswich. Closure of Martlesham Park and Ride would mean the site may have to be returned back to woodland due to a previous planning condition. Alternative uses or disposal of the Copdock site could be considered.
18. Cabinet could decide to make no changes to the service, and reinstate the budget which was reduced by £500k in April 2016.

Who will be affected by this decision?

19. Users of the Park and Ride service will be affected, which includes commuters (some County Council staff), shoppers, students, and patients and visitors to Ipswich hospital, plus the residents of Ipswich. Retailers in Ipswich will also be affected as reputationally the Park and Ride service adds to the credibility of Ipswich as a vibrant town.

Main body of report

Background

20. The Ipswich Park and Ride service is an important part of the Town's transport infrastructure, providing a valuable service to commuters, visitors, shoppers and those accessing the hospital and railway station. The current service is

seen as convenient and helps reduce traffic congestion and the associated environmental impact of cars. London Road first opened in 1997, followed by Bury Road in 2000 and Martlesham in 2003. Bury Road was closed in 2011 to make budgetary savings. London Road and Martlesham services were linked in 2007 and currently run a 12 minute service 7am to 7pm Monday to Saturday.

21. The current service is subsidised by the tax payer with the County Council budgeting £700k per year for the service. Over recent months the County Council has led a working group to remodel the service to see if it could become self-funding.
22. The London Road and Martlesham service are currently used over half a million times by passengers per year. Around 10,000 journeys are made per week although this peaks to about 17,000 in the two weeks before Christmas. The service is currently contracted to Ipswich Buses up until November 2018. The services are connected with buses travelling across town between the sites.
23. There are two key costs associated with the service;
 - a) The subsidy to the bus operator to run the buses (approx. £500k).
 - b) The cost of operating and maintaining the two Park and Ride sites. (approx. £200k)

Proposals to make the bus service self-funding

24. The Council has been working with partners to find a way for the service to become self-funding. Discussions with Ipswich's two main bus operators have led to outline proposals from Ipswich Buses and First Buses to operate routes from the London Road site and Martlesham site respectively.
25. The Principles of the proposed new operating model are:
 - a) The bus service will no longer be managed through a direct contract funded by the County Council, but instead operate a "commercial service" funded by the passengers.
 - b) The service will split into two; Ipswich Buses operating the service from the London Road site and First Buses operating the service from the Martlesham site
 - c) Both operators would reroute some of their existing commercial services to include a stop at the Park and Ride sites.
 - d) Both operators would provide additional vehicles on those routes, increasing the frequency of buses to ensure the service remains attractive to Park and Ride users.
 - e) The cost to passengers of catching a bus at a Park and Ride site would be unchanged (typically £2.50)
 - f) Car parking would be free for customers using the Park and Ride bus service
 - g) The services would be clearly identified as a "Park and Ride" service
 - h) Neither bus operator would require a subsidy from the tax payer

26. The full details of the service from London Road have not yet been finalised, but the features of the proposed Service are:
- a) Proposal is for HIGHER frequency with 9 buses running per hour (every 6 or 7 minutes) instead of every 12.
 - b) A slight increase in the running time from London Road to the Town Centre.
 - c) Service improvement with it continuing later into the evening and introduction of a Sunday service (30 minute frequency)
 - d) Earlier start to buses from the Park and Ride site
27. The full details of the service from Martlesham have not yet been finalised, but the features of the proposed Service are:
- a) Frequency will be 15 minutes 7am to 7pm
 - b) A slight increase in journey time from Martlesham to the town Centre.
 - c) More double deckers to increase capacity
 - d) Potential to have evening and Sunday services
28. The view of SCC officers is that the proposals are attractive, with elements of the proposal representing an improvement on the existing service. Officers believe that the proposals are viable and should therefore be worked up into full detail.

Infrastructure changes

29. Operators have requested that some infrastructure changes be made to help improve the speed of services and have asked for these to be completed before the new model is introduced. These include taking out laybys, remodelling junctions and traffic light phasing. The Council is exploring possibilities and as part of the due diligence will agree a timeline with the operators. The improvements may have to be implemented on a phased basis.

Options to make the Park and Ride sites self-funding

30. The two park and ride sites have a capacity of 550 cars each although both are currently underutilised. The costs incurred in running the sites include business rates, utilities, maintenance and security.
31. A range of options have been considered as to how the sites could become self-funding.
32. Analysis of historic activity has shown that each site should retain a minimum of 350 parking spaces and the operation of the Park and Ride service must not be compromised. CCTV coverage and toilet availability are seen as essential.

33. Market research commissioned from Concertus Design and Property Consultants has identified some commercial potential of the facilities. There are a number of options which could either generate income or reduce costs:
- a) Transfer the London Road site to Ipswich Borough Council (IBC have offered to take responsibility for the site and to meet all the costs associated with continuing to operate it as a Park and Ride site.)
 - b) Rent out the existing facilities on a commercial basis.
 - c) Generate rental income by leasing some of the excess parking spaces as land for commercial use.
 - d) Lease part of the Martlesham site to the East of England Ambulance Service. (The Ambulance Service has expressed a clear interest in developing an ambulance 'hub' site at this location.)
 - e) Develop a 'solar farm' above the car park on London Road, and sell the electricity generated.
34. Officers consider that there is sufficient merit on all of these options that could enable the sites to become self-funding. The loss of dedicated Park and Ride staffed buildings will have a low impact on users if toilet facilities are secured through other uses in the sites and payments for tickets is possible on line or on the bus. The next stage is therefore a detailed options appraisal to select and implement the best option(s).

Engagement with stakeholders and users

35. The stakeholder group has involved the two main operators, Ipswich Borough Council, representatives from the local business community, the Ipswich Vision Board and Ipswich hospital. Ipswich hospital is looking at the potential of the Park and Ride to help solve some of their parking issues on the Heath Road hospital site. The group have helped develop the proposal. They are broadly supportive of the new model. Ipswich Borough would prefer to see a dedicated service continue but accept that compromises may be needed. The model has been outlined to the Ipswich Vision Board and they are generally supportive. The Ipswich Vision Board are currently commissioning a parking Strategy for the town and would be able to factor the new model into their considerations.
36. The new model has been described to a small reference group of current service users. The group were generally supportive, particularly of the Martlesham proposals as it continues on the same route. Questions were raised about the pricing mechanism and these need to be explored further with the operators.
37. The discussions were helpful in highlighting the factors that were important in determining whether a customer uses the park and ride service. These included:
- a) Speed and duration of journey
 - b) Frequency and reliability of service

- c) Availability and comparative price of parking in the town centre
38. Not all of these factors are under the direct control of the County Council, but it reinforces the importance that the new service design needs to be attractive to customers at its launch, if it is to be a success.

Next steps

39. The next steps in progressing this project are:
- a) agree a Memorandum of understanding with the two operators
 - b) undertake further customer and public engagement in partnership with the operators to fine tune the service offers
 - c) work up a programme for the delivery of infrastructure changes
 - d) select the preferred options to maximise income / minimise costs of the sites.
 - e) serve notice on the existing contract
 - f) Implement the changes.
40. The Cabinet is asked to:
- a) Approve the principles of the new operating model for the Ipswich Park and Ride bus service (para 25).
 - b) Delegate authority to the Director of Resource Management, in consultation with the Cabinet Member for Highways and Transport to finalise the arrangements for the new bus service, and organise the smooth transition from the existing arrangements to the new model.
 - c) Delegate authority to the Director of Resource Management, in consultation with the Cabinet Member for Highways and Transport to undertake an options appraisal to determine the best use of the sites to minimise their net running costs, and implement that option.

Sources of further information

Equality Impact Assessment (EIA) Screening Park and Ride 9 December 2015

EIA Screening Park and Ride 31 May 2016 [EIA](#)

Cabinet Budget paper 11 February 2016 [Appendix C Annex D](#)