

# Finance and Resources Committee

10am, Thursday, 27 August, 2015

## Bustracker Operation and Maintenance

Item number	7.25
Report number	
Executive/routine	
Wards	All

### Executive summary

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Edinburgh's Real Time Passenger Information (RTPI) system, Bustracker, is provided by French based company Cofely Ineo. Real time prediction is provided for all bus stops served by Lothian Buses and is now integrated with SEStran Bustracker to provide for stops served by First Bus and Stagecoach. RTPI is available via website, smartphone applications, or 400 on-street signs. The system has worked reliably for over 10 years and has made a significant contribution to increased public transport patronage.

The purpose of this report is to recommend that Committee approves a waiver of the Contract Standing Orders and approves use of the system for a minimum of a further 12 months at a value of approximately £450,000, with an option to extend for a further 6 months. This will ensure the system continues to operate while an options appraisal for longer-term maintenance, development and appropriate procurement strategy are confirmed.

### Links

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Coalition pledges	<a href="#">P19</a>
Council outcomes	<a href="#">CO9</a> , <a href="#">CO10</a> , <a href="#">CO22</a>
Single Outcome Agreement	<a href="#">SO1</a> , <a href="#">SO2</a>

## Bustracker Operation and Maintenance

### Recommendations

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- 1.1 It is recommended that Committee authorises continued quarterly maintenance payments to Cofely Ineo and associated payments to radio infrastructure and first line maintenance providers for a period of 12 months at a value of approximately £450,000, with an option to extend for a further 6 months. This will allow the Bustracker system to continue operating until an options appraisal for longer-term maintenance, development and appropriate procurement strategy are confirmed.

### Background

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- 2.1 The existing contract with Cofely Ineo expired in 2011 and this proposed interim arrangement provides for continuing operation and maintenance under existing terms, which were developed through the initial OJEU competitive procedure.
- 2.2 In the interests of transparency and compliance with the waiver process outlined within the Council's Contract Standing Orders, this report sets out the interim solution that is already in place. Contract Standing orders (CSOs) state that, for services in excess of £25,000, a public advertisement followed by an invitation to tender should be carried out before the award of contract. Under Paragraph 9, the CSOs can be waived if justified as a legislative exemption, or in the Council's best interests. It is considered that in this circumstance a waiver is justified in the Council's best interests.
- 2.3 This report seeks Committee authorisation for a waiver to continue payment while the appropriate solution is agreed.
- 2.4 Options for future RTPI provision will require detailed investigation in conjunction with Lothian Buses, as many parts of the system are shared assets. The system's success is largely due to close partnership working with Lothian Buses. It is investigating newer tracking equipment for installation on its buses and any new arrangement for provision of RTPI will need to accommodate this.

- 2.5 A new contract was not put in place, prior to expiry of the original contract, because it is not yet clear exactly what is required, and the development of technology in this area is fast moving. Ongoing maintenance arrangements could only be met by the existing supplier. Retendering for a new supplier as an interim measure until a longer term strategy is agreed would be likely to require significant cost to put in place new technology. It may even require the installation of new on-street infrastructure to support a new system at significant cost.
- 2.6 To date the supplier has undertaken a significant level of development work on the systems at no added cost to the Council.

## Main report

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- 3.1 Bustracker has been operating successfully since 2004. Although the system is open to all bus operators, only Lothian Buses invested in the tracking equipment. They installed all necessary Automatic Vehicle Location (AVL) equipment on its entire fleet and this provides a comprehensive fleet management system. The Council operate the Real Time Passenger Information side of the project, using data fed from the AVL system.
- 3.2 The RTPI has grown a positive reputation due to the accuracy of data.
- 3.3 The AVL/RTPI system is a specialist product which has been maintained by the system supplier since commissioning. Maintenance by a third party might, therefore, be impractical and introduce significant risks.
- 3.4 The system software is owned by the system supplier and any transition from existing supplier to new supplier is likely to result in significant disruption of service.
- 3.5 Bustracker is based on a combination of complex hardware, software, communications systems and transport databases. It is important to note that it is a “live” system which is used to manage the bus network 24/7. It requires the ongoing, day-to-day commitment of the project partners to deliver a high quality effective service.
- 3.6 Bustracker is one of the most successful public transport projects delivered by the City of Edinburgh Council. This is supported by system coverage and the level of use by the public:
- RTPI 24/7 for the entire Lothian bus fleet (approximately 700 buses – including tourist services);
  - RTPI for every stop in the Lothian Buses’ network – over 2,700 bus stops;

- 425 on-street RTPI signs - with increasing public requests for more; and
  - approximately 12 million RTPI queries per month on web, mobile and smartphone app services.
- 3.7 Although the existing level of use is high, web statistics suggest it is still increasing.
- 3.8 Bespoke smartphone applications have been introduced to target specific markets and continue to be developed. For example, Lothian Buses' own Smartphone app includes easy to use "Take Me Home" functions which:
- use smartphone GPS positioning to identify your current location;
  - provide a web based journey planning tool to plan your route from your current location to your "home"; and
  - predict the journey time to reach a destination.
- 3.9 Bustracker has now been integrated with SEStran Bustracker. Both systems are provided by Cofely Ineo. The SEStran system has covered much of the First and Stagecoach fleet in its area and its integration work allows RTPI predictions for relevant services to be added to on-street signs in Edinburgh.
- 3.10 The original Bustracker tender process was subject to the EU OJEU "restricted" procedure. The process was administered by the City of Edinburgh Council procurement staff with the support of the Bustracker Project Team. The original tender included both maintenance and the option of system expansion from the outset.
- 3.11 This recognised the complexity and specialist nature of the system and the fact that AVL/RTPI systems are not manufactured to a rigid EU or UK standard or specification. They are compliant with electrical and safety standards but the component parts, system software and overall system functionality is defined by the supplier and the needs of their customers.
- 3.12 The approach taken also satisfied the business needs of bus operator partners (both Lothian Buses and First Bus were involved in the procurement process). They were investing in the project with the aim of making Bustracker one of their key business systems. They therefore needed assurance that the system would be reliably maintained and supported from the outset.
- 3.13 As there were no obvious third party maintenance or support alternatives, maintenance costs were included in the financial assessment.
- 3.14 The approach taken also ensured that the City of Edinburgh Council did not experience the problems faced by other authorities. Some authorities appointed on the basis of capital costs and subsequently found themselves in a weak position when they had to negotiate maintenance, software licences and system development costs with a single supplier - the successful tenderer.

- 3.15 The current system is based on two contractual agreements between:
- the City of Edinburgh Council and Ineo Systrans - covering the supply and maintenance of the Bustracker system; and
  - the City of Edinburgh Council and Lothian Buses - covering the responsibilities of each partner regarding financial contributions, system administration operation and ongoing maintenance.

## **Conclusion**

- 3.16 The Bustracker system was successfully delivered under the terms of the contract. It has been developed significantly in terms of functionality and continues to operate well. It is clear that the project is still following the principles set out in the terms of the Main Contract and the separate Agreement between the City of Edinburgh Council and Lothian Buses.
- 3.17 This approach has produced a successful AVL/RTPI system. Lothian Buses has made a significant contribution and should be consulted on any proposed changes to the maintenance regime.
- 3.18 An analysis of actions under the maintenance contract clearly demonstrates that the maintenance activity is much more than simply keeping the existing infrastructure and systems operational with occasional increases in the quantity of “units” (buses, signs etc) installed.
- 3.19 A major part of the maintenance activity has been to expand the capacity, functionality and performance of the system to satisfy the requirements and aspirations of the City of Edinburgh Council, Lothian Buses and the travelling public who use the system.
- 3.20 Cofely Ineo continue to perform well, actively monitoring the system with a dedicated team. They frequently identify problems and resolve issues without the travelling public being aware. Any issues reported by the City of Edinburgh Council officers are dealt with swiftly and professionally.
- 3.21 The options appraisal will look in detail at new emerging technologies and investigate the potential of reducing ongoing operation and maintenance costs.

## **Measures of success**

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- 4.1 Continued operation of the Bustracker system.

## Financial impact

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- 5.1 Current cost of maintaining the system:
- Quarterly payments due to Cofely Ineo £92,999 in 2015, rising to £94,889 in 2016 (Cofely Ineo payment increases are aligned to calendar years).
  - Bridge Systems, radio infrastructure provision and maintenance, up to £30,000 per year.
  - Arqiva, radio infrastructure site lease, up to £25,000 per year.
  - Ofcom, radio licence provider, up to £7,000 per year.
  - Real Time Information Group (RTIG), provide advice on UK industry standard, key resource for information that will shape future provision. Membership is £1,500 per year.
- 5.2 An allowance should be made for additional operating costs to cover amendments and developments that are not covered by general maintenance and improve system performance.
- 5.3 Costs can be met from the Public Transport budget.

## Risk, policy, compliance and governance impact

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- 6.1 The recommendation in this report is consistent with existing policies and aspirations of the Council.
- 6.2 Compliance with the Council's waiver procedure under the Contract Standing Orders enhances transparency and measures of compliance.
- 6.3 Objective *PubTrans5* of the current Local Transport Strategy applies to the issues addressed in this report.
- PubTrans5:** The Council will seek to ensure a good waiting environment at bus stops, including shelter and seating wherever necessary and possible. Relevant and up to date information will be provided.
- 6.3 The contract was originally tendered through OJEU procedure, and the risk of challenge in continuing with existing arrangements is deemed to be low due to the existing operating software belonging to Cofely Ineo. This software is commercially sensitive and not transferable to a new system operator. It is important that the procurement exercise is developed to ensure the industry is not excluded in any future tender.
- 6.4 Any disruption in service is a significant risk to Council reputation and partnership working with Lothian Buses.

## Equalities impact

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- 7.1 Continued provision or enhancement of the quality of life of users through the enhancement of access to employment, educational, leisure and shopping opportunities.
- 7.2 Withdrawing the service would particularly affect vulnerable users who rely on the reassurance provided by accurate RTPI.

## Sustainability impact

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- 8.1 The impacts of this report in relation to the three elements of the Climate Change (Scotland) Act 2009 Public Bodies Duties have been considered, and the outcomes are summarised below:
- The report's proposal.
  - The need to build resilience to climate change impacts is not relevant.
  - This report's proposals will help achieve a sustainable Edinburgh.
- (Reducing dependence on transport by private car by Council's sustainability aims.)

## Consultation and engagement

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- 9.1 The Council's Commercial and Procurement Services have been consulted on this proposal, and supports the approach recommended.
- 9.2 Further consultation with other partners and users will be undertaken where appropriate.

## Background reading/external references

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None.

### **John Bury**

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## Links

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<b>Coalition pledges</b>	<b>P19</b> - Keep Lothian Buses in public hands and encourage the improvement of routes and times
<b>Council outcomes</b>	<b>CO9</b> - Edinburgh residents are able to access job opportunities <b>CO10</b> - Improved health and reduced inequalities <b>CO22</b> - Moving efficiently – Edinburgh has a transport system that improves connectivity and is green, healthy and accessible
<b>Single Outcome Agreement</b>	<b>SO1</b> - Edinburgh's economy delivers increased investment, jobs and opportunities for all <b>SO2</b> – Edinburgh's citizens experience improved health and well being with reduced inequalities in health
<b>Appendices</b>	None