

Finance and Resources Committee

10.00am, Tuesday, 12 June 2018

Framework Agreement for Supported Bus Services

Item number	8.11
Report number	
Routine	Routine
Wards	All
Council Commitments	Commitment 19

Executive Summary

This report seeks the approval of the Finance and Resources Committee to establish a Framework Agreement for the Supply of Supported Bus Services in the city, and to award seven providers a place on the Framework Agreement.

The term of the Framework Agreement will be for four years, commencing 2 July 2018 to 1 July 2022.

The total estimated value of contracts that may be awarded under the Framework Agreement is £4,800,000.

Framework Agreement for Supported Bus Services

1. Recommendations

- 1.1 It is recommended that the Finance and Resources Committee approves:
- 1.1.1 the establishment of a Framework Agreement for Supported Bus Services for four years, commencing on 2 July 2018 to 1 July 2022 to the estimated value of £4,800,000; and
 - 1.1.2 the award a place on this Framework Agreement to the following seven providers:
 - Borders Buses Ltd;
 - E & M Horsburgh;
 - Edinburgh Coach Lines Ltd;
 - Fife Scottish Omnibuses Ltd t/a Stagecoach East Scotland;
 - First Scotland East Ltd;
 - Lothian Buses; and
 - Romadero Ltd t/a Waverley Travel.

2. Background

- 2.1 The Council currently funds seven supported bus routes, principally for reasons of social inclusion and the support of local communities in order to enhance connectivity and accessibility where a social need has been identified.
- 2.2 Supported bus service provision is targeted at communities where there is a clear social need and has evolved over a number of years; often in demand from these communities where commercial services are viewed as failing to meet local needs or where these services have been withdrawn or reduced.
- 2.3 In 2013, a Framework Agreement for Supported Bus Services was established in order to generate greater market interest through mini-competitions amongst Framework Operators by reducing the amount of paperwork required; previously, a particular burden for smaller operators.
- 2.4 The new Framework Agreement replaces the previous framework and ensures that best value is maintained through mini-competition of existing services as they expire and any new routes that are identified.

3. Main report

- 3.1 For many years the Council has funded a variety of supported bus services on the basis of social need in order to enhance connectivity, accessibility, and social inclusion. Supported bus services perform an important social role by filling gaps in the commercial bus network.
- 3.2 On 23 February 2017, the Council published a Prior Information Notice (PIN) on the Public Contracts Scotland (PCS) website and a total of 31 potential providers expressed interest.
- 3.3 The Council published a Contract Notice on the PCS website on 6 January 2018 and an Invitation to Tender (ITT) was published on the Public Contracts Scotland-Tender (PCS-T) website the same day. A total of 11 potential providers registered interest and a total of seven responses were received before the tender deadline on 19 February 2018.
- 3.4 Award of providers onto the Framework Agreement is based on evaluation of those Tenderers/bidders who met the mandatory qualification criteria contained in the European Single Procurement Document (ESPD). These seven bids were evaluated on the basis of the most economically advantageous tender (MEAT), with a weighting of 70% for quality and 30% for price. The weighting sets out a shared understanding that a greater emphasis towards quality at Framework entry stage ensures that there is no ambiguity that the successful tenderers can undertake current or future routes as and when mini competitions are undertaken. A summary of the tender process is provided at Appendix 1 of this report.
- 3.5 Once the Framework Agreement is in place, individual mini competitions will be held among the operators to establish routes. Mini competitions shall be typically undertaken on a ratio with a greater weighting towards price to emphasise commerciality. For example, a mini competition may be conducted on 70% price and 30% quality.
- 3.6 Quality Award Criteria used for mini competitions shall be based on criteria used to establish the Framework Agreement. However, this may also be refined due to the complexity of the requirement, and applicable needs of the route.
- 3.7 Contract performance will be monitored monthly using data supplied by the contractor, along with quarterly meetings between Council officers and the contractor. Any complaints concerning the service provided under the Framework Agreement will be monitored and all data will form part of the annual Supported Bus Services Performance Report to the Transport and Environment Committee.

4. Measures of success

- 4.1 Increased future number of tenders being submitted via mini-competitions for supported bus services by reducing procurement administration required when bidding.

- 4.2 Reduction in the time taken to procure supported bus services by having a Framework Agreement that includes a range of bus operators who can be invited to participate in mini-competitions for future services.
- 4.3 The Framework Agreement will allow for long term planning to be undertaken in relation to supplier development of smaller providers and enable stable working relationships with larger providers such as Lothian Buses.

5. Financial impact

- 5.1 The total value of the Framework Agreement has been estimated at £4,800,000 over the four year period.
- 5.2 The current revenue budget for supported bus services totals an estimated £1.27m per annum.
- 5.3 It is the intention to carry out a series of mini-competitions for future supported bus services as part of the Framework Agreement. Providers would bid predominately on price with quality questions applicable to the route and any specific resources applied.
- 5.4 The costs associated with procuring this Framework Agreement are estimated to be from £10,001 to £20,000.

6. Risk, policy, compliance and governance impact

- 6.1 Deployment of the Framework Agreement methodology for procuring supported bus services ensures that the services the Council supports align with its strategic transport objectives and represent value for money.

7. Equalities impact

- 7.1 The aim of the Framework Agreement is to facilitate the provision of bus services largely for reasons of social inclusion for users in communities otherwise without access to public transport or where the level of provision is poor. The vehicles specification contained in the Framework Agreement requires the use of fully accessible buses which will benefit those with reduced mobility and improve their quality of life. Inclusion, connectivity, and accessibility are central to supported bus provision and any equalities impact should be positive.

8. Sustainability impact

- 8.1 As a minimum standard, providers shall work towards the achievement of Euro V vehicle emissions which contribute to a reduction in air pollution. In addition, getting

people to use supported bus services reduces the number of car journeys that might otherwise be made.

9. Consultation and engagement

- 9.1 Comments were invited from members of the city's 12 Neighbourhood Partnerships on supported bus service provision in each of their geographical areas.
- 9.2 Neighbourhood Partnerships cover every electoral ward in the city and their membership profiles comprise representatives from local community councils, elected members and operational and strategic partners.
- 9.3 12 responses were received between 27 February and 2 April 2017. 75% (9) of these expressed support for the services provided and their continuation.
- 9.4 The response contents also included issues with perceived lack of provision to specific areas and suggestions relating to possible future route variations. The comments will help inform future tendering processes.

10. Background reading/external references

- 10.1 None

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11. Appendices

Appendix 1 - Summary of Tendering and Tender Evaluation Processes

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Contract	Framework Agreement for Supported Bus Services (Ref: CT2171)	
Contract Period	2 July 2018 to 1 July 2022	
Estimated Contract Value	£4,800,000	
Procurement Route Chosen	Open Procedure	
Tenders Returned	Seven	
Name of Recommended Supplier(s)	Border Buses Ltd E & M Horsburgh Edinburgh Coach Lines Ltd Fife Scottish Omnibuses Ltd t/a Stagecoach East Scotland First Scotland East Ltd Lothian Buses Romadero Ltd t/a Waverley Travel	
Quality / Price Split	Quality 70 / Price 30	100
Evaluation Criterion and Weightings and reason for this approach	Criteria	Weighting (%)
	<u>Vehicles & Sustainability</u>	
	Fleet & Strategy	10
	Fleet Sustainability	10
	Fleet Maintenance	10
	Training	20
	<u>Service Information & Communication</u>	
	Public Information	10
	Management Information	10
Security	10	
Team Structure	10	
Fair Working Practice	5	
Community benefits	5	
Evaluation Team	Council officers	