

Finance and Resources Committee

10.00am, Thursday, 25 January 2024

Dynamic Purchasing System for Provision of Supported Buses

Executive/routine
Wards

Routine
All

1. Recommendations

- 1.1 Finance and Resources Committee approves the establishment of a Dynamic Purchasing System as a means to award contracts for the Provision of Supported Buses for a duration of five years with two optional extensions of 12 months each.
- 1.2 Notes that Tenders issued via the Dynamic Purchasing System will be awarded in accordance with Contract Standing Orders.

Paul Lawrence

Executive Director of Place

Contact: Daisy Narayanan, Head of Placemaking and Mobility

E-mail: daisy.narayanan@edinburgh.gov.uk

Dynamic Purchasing System for Provision of Supported Buses

2. Executive Summary

- 2.1 This report seeks the approval of Finance and Resources Committee for the establishment of a Dynamic Purchasing System (DPS) as a means to award contracts for the Provision of Supported Buses.
- 2.2 The DPS will allow a tenders to be conducted for supported bus route across the City of Edinburgh and neighbouring areas. New suppliers who meets the minimum criteria specified can apply to join the DPS at any point over the duration of the DPS (five years with two optional extensions of 12 months each).

3. Background

- 3.1 The City of Edinburgh Council (the Council) currently funds several 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.
- 3.2 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these communities where commercial services are viewed as failing to meet local needs or where these services have been withdrawn or reduced.
- 3.3 In 2018, a Framework Agreement for Supported Bus Services was established. The DPS replaces this framework and ensures that best value is maintained through competition.
- 3.4 The supplybase is volatile, partly due to the impact of COVID and Brexit, and consequently a DPS was considered the best solution to enable any new entrants to be able to tender for supported bus routes throughout the duration of the system. A standard Framework Agreement does not allow new market entrants to join during its lifetime.
- 3.5 The Transport and Environment Committee (TEC) has been kept informed of the plans and procurement process for the DPS, as well as the details of the supported bus routes. There has been considerable supplier and customer engagement

which has informed both the procurement process and the specifications of the routes to be tendered under the DPS.

4. Main report

- 4.1 The Council has funded a variety of supported bus services for several years 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.
- 4.2 On 9 November 2023, the Council published a Prior Information Notice (PIN) on the Public Contracts Scotland (PCS) website and a total of sixteen potential providers expressed interest.
- 4.3 On 22 November, the Council published a Contract Notice on the PCS website and a Single Procurement Document (SPD) was published on the Public Contracts Scotland-Tender (PCS-T) website the same day. A total of eleven potential suppliers registered interest prior to the initial closing date. A total of four responses were received before the deadline for the initial closure of the DPS on 22 December 2023.
- 4.4 The DPS will remain open for new applications to join. Further market engagement may be advisable to encourage and support applications to the DPS.
- 4.5 The ongoing admittance of suppliers onto the DPS is based on evaluation of responses which meet the mandatory qualification criteria contained in the Single Procurement Document (SPD).
- 4.6 Once the DPS is in place, individual competitions will be held among the operators to provide supported bus routes. Tenders shall be typically undertaken on a ratio with a greater weighting towards price to emphasise commerciality, however this can be determined appropriately on an individual basis for each requirement.
- 4.7 Once a contract is awarded following a competition, contract performance will be monitored on an ongoing basis using data supplied by the supplier, along with quarterly meetings between Council officers and the supplier. Any concerns concerning the service provided will be monitored and all data will form part of the annual Supported Bus Services Performance Report to the Transport and Environment Committee.

5. Next Steps

- 5.1 Following the initial set-up of the DPS, any new supplier who meets the minimum criteria specified in the Contract Notice, SPD and guidance documents can apply to join, and the outcome of their application will usually be finalised within 10 days. Procurement resource is required to review and process any such applications, however it is not anticipated that the volume will be high.

- 5.2 The Contract Manager for the DPS is the Public Transport Manager, and their team will be responsible for specifying the bus routes to be tendered under the DPS, and CPS will run the competitions on their behalf.
- 5.3 The outcome of each competition will be awarded according to the Contract Standing Orders. The Transport and Environment Committee and the Finance and Resource Committee will be informed of any awards made, and where appropriate, approval of awards will be sought.

6. Financial impact

- 6.1 The total financial impact of the DPS set will depend on exact specifications of the routes tendered, however as per reports to the Transport and Environment Committee referenced above, at the time of writing this report the expected annual budget for the initial planned seven routes is around £1.5m.
- 6.2 The award criteria weighting will be determined for each route at competition stage and may vary between routes. An award recommendation report detailing the outcome will be produced following the conclusion of each competition.
- 6.3 The Transport and Environment Committee and the Finance and Resource Committee will be kept informed of the outcomes of the planned programme of competitions as it progresses. Where it is deemed appropriate and in line with Contract Standing Orders, approval of the award of contracts may be sought at Committee.

7. Equality and Poverty Impact

- 7.1 An Integrated Impact Assessment for the Supported Bus Services Review has been completed and is now [published](#) on the Council's website.

8. Climate and Nature Emergency Implications

- 8.1 The City of Edinburgh Council declared a Climate Emergency in 2019 and committed to work towards a target of net zero emissions by 2030 for both city and corporate emissions and embedded this as a core priority of the Council Business Plan 2023-2027. The Council also declared a Nature Emergency in 2023.

Environmental Impacts

- 8.2 A key part of tendering under the DPS will be the requirement for suppliers to work towards achieving zero emissions as soon as practical, in support of the city's net zero emissions target. Suppliers have also been made aware of the Low Emission Zone implementation in 2024 and this will be reiterated in future tender documents.

9. Risk, policy, compliance, governance and community impact

- 9.1 The outcomes of this project are at the centre of the development of the proposed supported bus service routes.
- 9.2 There have been discussions with affected Community Councils and other representative groups, particularly in the west of the city, and with Elected Members on the need for supported bus services to improve local connectivity and accessibility.
- 9.3 As part of the development proposals for the Supported Bus Services Review, community councils and councillors of affected communities along the existing supported bus routes in rural west Edinburgh (i.e. McGill's 20, 63 and 68) have been invited to engage. All major suppliers (i.e. bus operators), plus key smaller suppliers who may be interested in supplying supported bus services were contacted and invited to engage. On-board bus passenger surveys were also undertaken on week commencing 3 October 2023 on the McGill's 63, 68 and ECL 13 services.
- 9.4 An initial online workshop held on 7 September 2023, attended by Councillors from Ward 1 Almond and Ward 2 Pentland Hills, Kirkliston and Queensferry Community Councils, Ratho Bus Working Group, Lothian Bus and McGill's. Current public transport accessibility challenges were discussed, and 'initial draft' of changes to the supported bus service routes were presented and attendees provided their feedback on which was noted.
- 9.5 The Review has since continued to engage with community council representatives, suppliers and CEC procurement team through telephone interviews, meetings and email correspondence to refine the rural west proposals and mechanism for procurement (noting discussions with suppliers on this topic have ceased since publication of the DPS on 22 November 2023). Consultees included the Ratho Bus Working Group, Lothian Bus, McGill's, HcL Transport, Edinburgh Coach Lines and Cramond and Barnton Community Council. In addition, both RBS and Waverley Travel were approached for comment about a potential option for extending the RBS Shuttle Bus route to serve Ratho.
- 9.6 Engagement on the routes in rural west Edinburgh have been initially prioritised due to pressing concerns from those community councils and councillors, as well as the potential impact the withdrawal of a number of both supported services and commercial (McGill's) services in West Lothian in November and December 2023 would have on those communities. It is envisioned further engagement will be undertaken with communities served by the existing ECL 13 and potential option for a Portobello supported service, prior to tender documents being published.
- 9.7 In terms of community impact, the proposals effectively maintains existing levels of services for those communities served by existing supported bus services. Whilst three of the existing routes have been 'split' into smaller routes, key direct connections and interchanges are maintained (e.g. between Ratho and Ratho Station; and a connection from Ratho to The Gyle and now Hermiston Gait Park

and Ride for connections to the City Centre; between Queensferry, Kirkliston and The Gyle etc). The change in routes also extends the coverage of supported services to Cramond therefore improving west orbital walk-in catchment and re-instatement of a Portobello circular-type service for local accessibility.

- 9.8 In response to feedback from the Ratho Bus Working Group, a 'direct' service between Ratho and City Centre is to be tendered to understand supplier pricing and affordability in relation to CEC budgets.
- 9.9 The proposals directly align with those council priorities as set out in the City Mobility Plan ('A city where you don't need to own a car to move around') and Public Transport Action Plan ('Addressing the climate emergency' and 'delivering a reliable and efficient network to support growth').

10. Background reading/external references

10.1 Transport and Environment Committee Updates:

10.1.1 [17 August 2023](#);

10.1.2 [14 September 2023](#);

10.1.3 [12 October 2023](#);

10.1.4 [16 November 2023](#); [Minute of 16 November 2023](#); and

10.1.5 [11 January 2024](#).

11. Appendices

None.