



Officer Decision Record – Key Decision

Key decisions taken by an officer are subject to the 5 day call in period from circulation to Members, and therefore the decision will be released for implementation following the call-in period and no call in being received

1. Cabinet date and copy resolution this key decision relates to

Cabinet meeting Date: 3 November 2021.

Report Title: NELC – Phone n Ride Demand Responsive Transport

Cabinet minutes: <https://democracy.nelincs.gov.uk/wp-content/uploads/2020/06/Cabinet-Minutes-3rd-November-2021-1.pdf>

Decision Notice: <https://democracy.nelincs.gov.uk/wp-content/uploads/2020/06/Decision-Notice-3rd-November-2021.pdf>

1. That the commencement of a procurement exercise for Option 1 – (3 Year), as laid out in the report now submitted, be supported. (This included the delivery of the Phone n Ride DRT service) This ODR is reflecting the recommendation for Option 3, as proposed in the Cabinet report to be approved/delivered.

2. That authority be delegated to the Executive Director for Environment, Economy and Resources, in consultation with the Portfolio Holder for Environment and Transport, to commence a procurement exercise (to deliver the bus services identified in Option 1 – (3 Year) as laid out in the report now submitted) and to make appropriate contract awards to the most economically advantageous tender.

3. That authority be delegated to the Executive Director for Environment, Economy and Resources, in consultation with the Portfolio Holder for Environment and Transport, to carry out all ancillary activity in terms of post award implementation and mobilisation of such arrangements.

4. That authority be delegated to the Assistant Director Law, Governance and Assets (Monitoring Officer) to execute all documents in connection with the above.

2. Subject and details of the matter (to include reasons for the decision)

Background information

North East Lincolnshire Council (NELC) currently funds the delivery of the Phone n Ride service. The Demand Responsive Transport (DRT) service is managed by EQUANS as part of the transformation partnership contract and is currently delivered on behalf of the Authority by a private sector provider.

DRT bus services in North East Lincolnshire play a key role to enable communities and individuals with no or limited access to mainstream public transport provision to access employment, health, education, shopping, and leisure opportunities. Furthermore, they are identified as a recommended solution to support individuals with personal circumstances such as mobility impairments, who may require a tailored service using modified vehicles, who face barriers to accessing the existing conventional bus network.

The current operator of the service is Stagecoach East Midlands, this contract will expire on 30 September 2022.

The Authority currently operates its DRT service utilising three 14-seat Mercedes mini-buses. The DRT service covers the whole of the North East Lincolnshire area and operates between 06.30 and 18.30 (Monday -Saturday) there is currently no service on a Sunday or on a Sunday or on Bank Holidays.

The booking and scheduling software, which supports the delivery of the service is currently provided by Trapeze, the current maintenance and support agreement is due to expire on 30 November 2022. The tender exercise required bidders to provide both the vehicles (and drivers) as well as the 'back office' booking and scheduling applications as a package.

Two supplier tender submissions were received on 21 June 2022.

Throughout this Officers Decision Record (ODR) the suppliers will be referred as Tenderer A & Tenderer B due to the commercially sensitive nature of the tender.

3. Decision being taken

On 3 November 2022, Cabinet approved the delegation of the tender award to the Executive Director for Environment, Economy, and Resources, in consultation with the Portfolio Holder for Environment and Transport on a most economically advantageous basis.

The tender has been completed and this Officer Decision Records seeks approval to make a tender award to Tenderer A based on the delivery of a three-year contract for **Option 1- (3 Year)** (06:30-18:30, three vehicles operating Monday-Friday and two vehicles on a Saturday) with an option for a further one-year period subject to achieving contract performance standards in accordance with the Public Contract Regulations 2015.

This option is deliverable within current budgets and is not expected to result in additional budget pressures.

It is anticipated that the contract will commence on 1 October 2022 for an initial three-year period.

4. Is it an Urgent Decision? If yes, specify the reasons for urgency. Urgent decisions will require sign off by the relevant scrutiny chair(s) as not subject to call in.

No

5. Anticipated outcome(s)/benefits

This decision is deliverable within agreed budgets and will maintain existing service levels currently being delivered. It will allow for the successful mobilisation by the new operator by 1 October 2022 and will ensure no break in service delivery.

6. Details of any alternative options considered and rejected by the officer when making the decision (this should be similar to original cabinet decision)

In arriving at this decision Officers considered range of options:

For each option, Bidders were asked to provide costs for three different contract periods (1 year, 2 years and 3 years each, each with a possible 1-year extension based on agreed delivery performance standards being achieved).

In addition to the option recommended above the following options were considered:

Option 1 – (1 year) (+1 year performance related extension) contract length – This option is over budget and is not recommended.

Option 1 – (2 year) (+1 year performance related extension) contract length – This option is over budget and is not recommended.

Option 2

2 Buses - 06.30-17:30 Monday-Friday, 1 Bus 07.30-17:30 Saturday, no service on Sunday or bank holidays.

For Option 2, the Authority has received 2 tenders with Tenderer A providing the most economically advantageous tender. This option could be delivered within existing budgets but would result in a 35% reduction in service provision compared to the current service. This is not a recommended option.

Option 3 (Preferred option, as per Cabinet report)

2 Buses 06.30-17:30 Monday-Friday, no service Saturday, Sunday, or bank holidays.

For Option 3, the Authority has received 2 tenders with Tenderer A providing the most economically advantageous tender. This option could be delivered within budget but would result in a 41% reduction in service provision compared to the current service. This is not a recommended option.

Option 4

1 Bus - 07.30-17:30 Monday-Saturday, no service Sunday or bank holidays.

For Option 4, the Authority has received 2 tenders with Tenderer A providing the most economically advantageous tender. This option is deliverable within budget but result in a significant (65%) reduction compared to current service levels. This is not a recommended option.

Option 5

1 Bus - 07.30 – 17:30 Monday-Friday, no service Saturday, Sunday or bank holidays.

For Option 5, the Authority has received 2 tenders with Tenderer A providing the most economically advantageous tender. This option can be delivered within budget but would result in a significant (71%) reduction compared to current service levels. This is not a recommended option.

7. Background documents considered (web links to be included and copies of documents provided for publishing)

3 November 2022 Cabinet Report –

<https://democracy.nelincs.gov.uk/wp-content/uploads/2020/06/5.-Review-of-subsidised-Bus-Services.pdf>

8. Does the taking of the decision include consideration of Exempt information? If yes, specify the relevant paragraph of Schedule 12A and the reasons

No

9. Details of any conflict of interest declared by any Cabinet Member who was consulted by the officer which relates to the decision (in respect of any declared conflict of interest, please provide a note of dispensation granted by the Council's Chief Executive)

No conflicts of interest have been identified.

10. Monitoring Officer Comments (Monitoring Officer or nominee)

The decision to award is consistent with the Cabinet decision and delegations. The procurement exercise has been conducted so as to comply with the Council's policy and legal obligations, specifically in compliance with the Council's Contract Procedure Rules and the Public Contracts Regulations 2015 and supported by relevant officers. Legal Services will support the completion of the contractual documentation on award.

11. Section 151 Officer Comments (Deputy S151 Officer or nominee)

The cost of the recommended option can be met from within the existing service approved budget.

12. Human Resource Comments (Head of People and Culture or nominee)

There are no direct HR implications in relation to this report.

13. Risk Assessment (in accordance with the Report Writing Guide)

Subject to the confirmation of this Officer Decision Record the majority of the key risks associated with this project will be resolved.

Returned tender prices not being affordable within the budget envelope. – **RESOLVED**, Option 1 - (3 Year) is affordable within the identified budget.

Tender exercise may not return a new operator. – **RESOLVED**, subject to this ODR, Tenderer A will be appointed to run the service from 1 October 2022.

An initial equality impact assessment identifies options 2,3,4,5 may be detrimental to the public. – **RESOLVED**, it is recommended to deliver Option 1 - (3 Year) from 1 October 2022.

Failure to consider Equality duties could result in Legal action against the Council – **RESOLVED**, Option 1 retains current service levels and meets the Council's duties to support socially necessary public transport services in the Borough.

Under the Transport Act 1985, North East Lincolnshire Council has a duty to secure the provision of subsidised services it considers to be socially necessary – **RESOLVED**, Option 1 retains current service levels and meets the Council's duties to support socially necessary public transport services in the Borough.

The key risks are now associated with the mobilisation phase of the project, these include:

New provider is unable to mobilise by the end of the current contract period – **LOW RISK**, Tenderer A included a mobilisation timetable as part of their bid submission which is aligned to commencing service delivery on 1 October 2022.

Migration of passenger details to new software provider – **LOW RISK**. An extension to the agreement with the current software provider has been agreed to the 30 November, this allows additional time to carry out the migration of passenger and location data to the new software system.

Staff training to utilise new software package – **LOW RISK**, Tenderer A's submission includes the provision of staff training prior to 'go-live' date. NELC / Equans will need to make staff available at a mutually convenient time to allow this to go ahead.

14. Has the Cabinet Tracker been updated with details of this decision?

Yes

15. Decision Maker(s):

Name: Sharon Wroot

Title: Executive Director Place,
Environment, Economy and
Resources

Signed: REDACTED

Dated:08.09.22

**16. Consultation carried out with
Portfolio Holder(s):**

Name: Cllr Stewart Swinburn

Title: Portfolio Holder for Environment,
Transport and Energy

Signed: REDACTED

Dated: 8th September 2022