

Wards Affected:

All Wards

APPROVAL TO TENDER BETTER BUS AREA FUND PROJECT DELIVERY

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Executive Summary:

This report seeks approval to commence the tender process in accordance with the Council's Contract Procedure Rules and Financial Regulations.

Tenders will be invited using the Council's E-Tendering system to secure the design and delivery of the three elements of the Better Bus Area Fund project covering Smarter Choices, Interchange Improvements and Wayfinding Improvements through the Midlands Highways Alliance Professional Services Partnership (PSP1) Framework.

1 Recommendation(s)

- 1.1 That the commencement of the tender processes for the procurement of the design and delivery of three elements of the Better Bus Area Fund project through the Midlands Highways Alliance Professional Services Partnership (PSP1) Framework, be approved.

2 Issues

- 2.1 The Council's Constitution requires all procurement in excess of £100,000 to be approved by Cabinet Procurement Committee. This includes both the decision to formally award contracts and the decision to authorise officers to commence tender processes.
- 2.2 In March 2012, the Council was awarded £2.23m (£872k capital and £1.358m revenue) from the **Better Bus Areas Fund** to fund a project that will develop Real Time Passenger Information (RTPI) and Marketing initiatives for public transport in Milton Keynes. The project is to be delivered by March 2014 and the bid was split into six areas, with indicative amounts set out as follows:
- funding to develop/expand RTPI (£875k), procurement of which has been carried out as part of the separate tender for a contract to cover maintenance of the RTPI system, and facilitate the future expansion of the system if funding becomes available from developers or other sources.
 - develop smart ticketing (£100k) (no procurement is required for this at the present time)
 - bus service enhancements (NIL - local contribution from Arriva).

- d. Smarter Choices - deliver bus based personalised travel planning (PTP) packs delivered to all 33,000 households within 400 metres of the 2, 4, 5 and 300 services and to 10,000 employees (accessing the 2, 4, 5 and 300 service corridors) (£575k).
- e. Interchange improvements with 4 new 'virtual interchange' locations installed offering high quality and simple bus-bus interchange environments (via improved on street promotion etc) (£340k).
- f. Wayfinding - Targeted improvements to the walk connections from three inward facing residential areas to 4 major bus routes (running along grid squares) with wayfinding routes developed and implemented in partnership with local residents (£340k).

2.3 The funding for the requirement will be met by the capital and revenue grant received from DfT for this project allocated within the 2012/13 and 2013/14 financial years. The split of funds, and the expected allocation in each year at the time of the bid, is shown below:

	2012-13		2013-14		Total by Element
	Capital	Revenue	Capital	Revenue	
(a): develop/expand RTPI	£186,000	£514,000	£46,000	£129,000	£875,000
(b): develop smart ticketing		£100,000			£100,000
(d): Smarter Choices		£201,000		£374,000	£575,000
(e): Interchange improvements	£170,000		£170,000		£340,000
(f): Wayfinding	£30,000	£32,000	£270,000	£8,000	£340,000
Total	£386,000	£847,000	£486,000	£511,000	£2,230,000

Total - Capital £872,000
Total - Revenue £1,358,000

2.4 Specification

This report requests approval to obtain tenders for the design and delivery of the latter three elements of the Better Bus Area Fund project covering smarter choices, interchange improvements and wayfinding. In each of these areas, the successful bidder will be required to build upon the bid document to design what is needed to fulfil the bid as well as to deliver it. In delivering this part of the project, the successful bidder will be required to consult key stakeholders including ward members, parishes, the Bus User Group and bus operators.

2.5 Evaluation Criteria & Panel

It is proposed to procure this work through the Midlands Highways Alliance (MHA) Professional Services Partnership framework (PSP1). This framework is managed by a board with members drawn from local authorities throughout the midlands and has demonstrated high quality performance in delivering a number of schemes. The use of the MHA frameworks is supported by the council's procurement and legal teams and is consistent with current OJEU regulations.

The MHA PSP1 framework has a single supplier, URS, and was established in April 2011, following a tender and evaluation process detailed below:

- Initially an OJEU notice was published by the MHA and 10 consultants submitted Pre Qualification Questionnaire. Of these ten, five were selected to tender for the framework. Tenders were submitted in December 2010, and were assessed against quality 30% on quality and 70% on price.
- The quality assessment was based on 10 criteria and each consultant was asked to give their proposals for each quality question as well as evidence of where this had already been achieved. A quality threshold also applied.
- To ensure that the best value was obtained from a single supplier, the price assessment was based on a table of hourly rates for different staff bands and different disciplines. Tenderers also had to submit multipliers for office based or seconded staff (in the latter case a separate multiplier for each authority in the MHA).
- Following completion of the assessment the scores were moderated and URS selected as the single supplier.

Evaluation of a bid from URS will be carried out in accordance with the criteria set out in the framework. Colleagues within Finance and Legal and Corporate Procurement will be engaged to support the tender process.

2.6 Contract Terms and Conditions

The contract will be a fixed term starting in November 2012 and ending on 31 March 2014. The framework Terms and Conditions will be used. The Council's Senior Client Officer for the procurement is Brian Matthews and for the management of the contract is Andrew Coleman.

3 **Alternative Options**

3.1 The following options appraisal has been conducted:

- a. It would be possible for the three elements to be procured separately but there is considerable crossover between them so dealing with them as one block would be beneficial. Procuring each block individually is likely to result in increased cost.
- b. An alternative to using the MHA PSP1 framework would be to do a full open tender through the OJEU process. This would extend the procurement timetable by 2 or 3 months, making it more difficult to deliver within the timescale available, over the two years to March 2014.

3.2 The preferred option is to go through the MHA PSP1 framework as indicated above.

4 Implications

4.1 Policy

This project fits in with the Council's priority of improving public transport, stated in LTP3 and other policy documents.

4.2 Resources and Risk

The costs of this contract will be met from revenue and capital grant available for the project. The total amount available for the three elements is £1.255m as indicated below. Legal, procurement and costs of officer time will also be managed within this budget.

	2012-13		2013-14		Total by Element
	Capital	Revenue	Capital	Revenue	
(d): Smarter Choices		£201,000		£374,000	£575,000
(e): Interchange improvements	£170,000		£170,000		£340,000
(f): Wayfinding	£30,000	£32,000	£270,000	£8,000	£340,000
Total	£200,000	£233,000	£440,000	£382,000	£1,255,000

Y	Capital	Y	Revenue	N	Accommodation
Y	IT	Y	Medium Term Plan	Y	Asset Management

4.3 Carbon and Energy Management

Delivery of the project will fit in with the Carbon & Energy Management policy which includes an action (9) "Use vehicles with low fuel consumption and pollution-reducing technology and ensure their regular servicing and energy conscious operation. Promote and facilitate the use of alternative modes of transport".

4.4 Legal

This proposal is consistent with the Corporate Plan (2012-2016) which includes the theme "Visiting MK" with an outcome of "Efficient, accessible and integrated internal transport" and priority to "Deliver quality and sustainable public transport initiatives and information". In addition, approved and adopted policies contained within, the Local Transport Plan (2011-2031), and the Bus Strategy (December 2008) seek to encourage greater use of alternative forms of transport to the car through improved marketing and publicity of bus services via the application of new technologies:

This recommendation complies with MKC rules, UK and European legislation.

4.5 Other Implications

Y	Equalities/Diversity	Y	Sustainability	N	Human Rights
Y	E-Government	Y	Stakeholders	Y	Crime and Disorder
Y	Carbon and Energy Policy				

Background Papers:

Bid Document:

http://www.milton-keynes.gov.uk/transport/documents/MKBBAAApplication_240212_Final.pdf

Delegated Decision giving approval to bid:

<http://cmis.milton-keynes.gov.uk/CmisWebPublic/Binary.ashx?Document=34586>