



Report of the Cabinet Member for Environment & Infrastructure Management

Cabinet - 16 May 2019

Contract Award Report Tender for the Provision of Local Bus Services

Purpose:	This report details the outcome of recent tenders for Local Bus Services and seeks approval to award contracts.
Policy Framework:	Local Transport Plan (2015-20)
Consultation:	Legal, Democratic Services and Business Intelligence, Finance, Commercial Services and Access to Services.
Recommendation(s):	It is recommended that: 1) the tender prices recommended by the Tender Evaluation Panel and set out in Schedule B be accepted as representing the Most Economically Advantageous Tenders. 2) contracts be awarded to the companies as set out in Schedule B.
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1.0 Introduction

- 1.1 Twenty five contracts for Local Bus Services expire on 31st July 2019. Tenders have therefore been invited for replacement contracts requiring vehicles of various seating capacities. The new contracts are for the term of 1st August 2019 to 31st July 2023, with an option to extend for up to an additional 12 months.
- 1.2 Two of the contracts extend into Carmarthenshire, and Carmarthenshire County Council makes a financial contribution pro rata to the mileage operated within its area.

- 1.3 The proposals for replacement contracts include:
- a. two additional options, and
 - b. four additional combination options
- This has resulted in thirty one Lots being tendered in total. A summary of the Lots for tender is detailed in Schedule A.

- 1.4 The estimated value of the new contracts over their maximum term of 60 months is approximately £5,180,606 before Carmarthenshire County Council's financial contribution and £5,032,979 after Carmarthenshire's contribution. Cabinet approval is therefore sought to award these contracts.

2.0 Procurement Process

- 2.1 The estimated value of the new contracts over their term exceeds the European Union threshold under the Public Contract Regulations 2015. The contracts were advertised in the Official Journal of the European Union (OJEU) via Sell2Wales.

- 2.2 The 'open' procedure was selected.

- 2.3 The Invitation to Tender (ITT) was issued on 4th March 2019 to Public Service Vehicle (PSV) Operators via the eTenderWales Portal.

3.0 Tenders Received

- 3.1 Three companies submitted tenders by the return date of 3rd April 2019.

- 3.2 The tenders were opened by Commercial Services in accordance with Contract Procedure Rules.

4.0 Evaluation

- 4.1 Tenders were evaluated by two Officers from the Integrated Transport Unit, with support from an Officer from the Commercial Services Team, a finance officer and a legal officer

- 4.2 All tenderers submitted compliant tenders.

- 4.3 The evaluation of the tenders received was undertaken in accordance with the criteria set out in the Invitation to Tender documents as a two stage process.

- 4.4 The Council ranked tenderers for each Lot on the basis of 20% Quality and 80% Price.

- 4.5 At stage one of the process, the Council undertook a Quality evaluation to ensure tenderers were able to demonstrate a minimum understanding of key operational requirements. The Quality evaluation was based on the assessment of seven Method Statement questions, as follows:

- Support Structure
- Staff Training and Competence (two questions)
- Vehicle Resources and Maintenance (four questions)
- Supervision of Staff
- Passenger Issues
- Management Reporting and Performance Management
- Emergency and Inclement Weather Operating Procedures

4.6 Tenderers were required to achieve a minimum score of three from the maximum five marks available for each method statement question in order to proceed to the Price evaluation. Tenderers failing to achieve the minimum score for each question would be rejected.

4.7 At stage two of the process, tenderers who achieved the required marks in the Quality evaluation proceeded to the Price evaluation.

4.8 For each Lot, the lowest tender price received was allocated the maximum score of 80. The remaining tender prices were scored downwards according to their relationship with the lowest price. These were then added to the Quality scores (out of 20) to achieve a total score out of 100.

5.0 Outcome of Evaluation

5.1 Fourteen contracts are to be awarded as individual Lots. This includes the Lot for which a 'nil' tender was received, and for which the Council will not need to provide any funding.

5.2 Lots 10 and 12 include services that extend into Carmarthenshire. Lots 11 and 13 include services that do not extend into Carmarthenshire. As a result of Carmarthenshire County Council confirming that it will continue to make financial contributions pro rata to the mileage operated within its area, Lots 10 and 12 are being let in preference to Lots 11 and 13.

5.3 Eleven of the contracts are to be awarded within three Combination Lots because these offer better value for money than if let as individual Lots.

6.0 Equality and Engagement Implications

6.1 The Council is subject to the Public Sector Equality Duty (Wales) and must, in the exercise of their functions, have due regard to the need to:

- Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act.
- Advance equality of opportunity between people who share a protected characteristic and those who do not.
- Foster good relations between people who share a protected characteristic and those who do not.

Our Equality Impact Assessment process ensures that we have paid due regard to the above.

6.2 An Equality Impact Assessment Screening Form was completed for the re-tendering exercise, with the agreed outcome that a full Equality Impact Assessment report is not required. This is because all of the current contracts are to be re-let.

7.0 Financial Implications

7.1 The gross cost of the tender prices recommended for acceptance is £975,791 per annum / £5,180,606 over their maximum five year term. This is based upon the total number of days per annum that each contract would operate and makes provision for indexation of contract prices at an estimated 3% per annum from August 2020. Carmarthenshire County Council will make an estimated financial contribution of £27,806 per annum / £147,627.00 over the maximum five year term. The net cost of the contracts will therefore reduce to £947,985 per annum / £5,032,979 over the maximum five year term.

7.2 The gross cost of the new contracts compares to the current gross cost of £1,010,896 per annum / £5,366,986 over the maximum five year term. The gross savings are therefore £35,105 per annum / £186,380 over their maximum five year term. When Carmarthenshire's financial contribution is taken into account, the net savings are £42,214 per annum / £224,120 over their maximum five year term.

7.3 The savings identified will be set against the savings target for the ITU as set out in the 19/20 revenue budget reported to council

8.0 Procurement and Legal Implications

8.1 The Responsible Officer is satisfied that the tender process has been undertaken in compliance with the Public Contracts Regulations 2015 and the Council's Contract Procedure Rules, and recommends approval in accordance with those Rules.

8.2 The contracts are to be prepared by Legal, Democratic Services and Business Intelligence. All contractual liabilities / obligations will be covered by the contract documentation.

Background Papers: None

Appendices:

Schedule A – Details of Individual Lots and Combination Lots Offered for Tender

Schedule B – Scores of Tenderers Recommended for Award

Schedule C - Equalities Impact Assessment Screening Form

**Tender for the Provision of Local Bus Services
Schedule A**

Details of Individual Lots Offered for Tender

Lot Numbers	Service No(s) and Times of Operation
1	45, Morriston Hospital to City Centre, Weekday Daytime
2	14, Pennard to Swansea, Weekday Evenings
3	115 & 116, North Gower to Swansea, Weekday Daytime
4	117, 118 & 119, South Gower to Swansea, Weekday Daytime
5	43, Morriston Hospital to City Centre & 54, Parc Llewellyn to City Centre, Weekday Daytime
6	16, Gorseinon to Swansea Weekday Early Mornings
7	16, Pontarddulais to Swansea, Weekday Evenings
8	28, Penplas to City Centre, Weekday Evenings
9	7, Marina to City Centre & 44, Maritime Quarter diversion Weekday Daytime
10	111, Llanelli to Swansea, Weekday Evenings
11	111, Loughor to Swansea, Weekday Evenings (variation of Lot 10, operating within the City & County of Swansea only)
12	X13, Llandeilo to Swansea, Weekday Evenings
13	X13, Pontarddulais to Swansea, Weekday Evening (variation of Lot 12, operating within the City & County of Swansea only)
14	46, Gorseinon to Morriston, Weekday Daytime
15	5, Cwmdonkin to City Centre, 9, North Hill to City Centre & 54, Parc Llewellyn to City Centre, Weekday Daytime
16	3A, Oystermouth to City Centre, Sunday Evenings
17	4A, Morriston Hospital to City Centre, Sunday Evenings
18	6, Port Tennant to City Centre & 20, Derlwyn to City Centre, Sunday Evenings
19	12, Townhill to City Centre & 25, Blaen-y-Maes to City Centre, Sunday Evenings
20	31, Birchgrove to City Centre, Sunday Evenings
21	36, Morriston to City Centre, Sunday Evenings
22	111, Loughor to Swansea, Sunday Evenings
23	41 & 42, Clase to Singleton Hospital, Weekday Early Mornings
24	6, Port Tennant to City Centre & 16, Penclawdd to Swansea, Sunday Daytime
25	35, Llangyfelach to City Centre, Weekday Daytime
26	14, Pennard to Swansea, Sunday Daytime
27	15, Gowerton to City Centre & 30, Trallwn to City Centre, Mondays to Fridays Daytime

Details of Combination Lots Offered for Tender

Lot Numbers	Service No(s) and Times of Operation
1 & 2	As above
3 & 4	As above
5 & 8	As above
16, 17, 18, 19, 20, 21 & 22	As above

Tender for the Provision of Local Bus Services

Schedule B

Scores of Tenderers Recommended for Award

Individual Lots

Lot Numbers	Tenderer Nos	Scores	Annual Rates for Contracts (£) (Net)
5	2	94.60	114,444.00
6	3	97.90	0.00, i.e. 'nil' tender
7	2	94.60	33,354.00
8	3	97.90	30,600.00
9	3	97.90	32,130.00
10	3	97.90	28,687.50
12	3	97.90	15,416.28
14	2	94.60	60,894.00
15	1	98.40	49,954.50
23	3	97.90	12,852.00
24	3	97.90	6,832.00
25	2	94.60	48,654.00
26	2	94.60	6,169.00
27	1	98.40	39,357.30

Combination Lots

Lot Numbers	Tenderer Nos	Scores	Annual Rates for Contracts (£) (Net)
1 & 2	2	200.78 (i)	88,740.00
3 & 4	2	211.18 (ii)	351,900.00
16, 17, 18, 19, 20, 21 & 22	3	700.98 (iii)	28,000.00

Notes

- (i) Higher score than Lots 1 & 2 score individually, i.e. 200.78 v 192.50
- (ii) Higher score than Lots 3 & 4 score individually, i.e. 211.18 v 192.50
- (iii) Higher score than Lots 16, 17, 18, 19, 20, 21 & 22 score individually, i.e. 700.98 v 685.30