

DATA LABEL: OFFICIAL



**COUNCIL EXECUTIVE**

**PROCUREMENT ARRANGEMENTS – PROVISION OF TAXIBUS DEMAND RESPONSIVE TRANSPORT SERVICES**

**REPORT BY HEAD OF CORPORATE SERVICES**

**A. PURPOSE OF REPORT**

To seek Council Executive approval to commence tendering procedures for the procurement of a two year framework agreement with an anticipated start date of 1 May 2020 and an option to extend up to a further 24 months in total, for demand-responsive transport (DRT) services, as detailed in Appendix 1, employing the methodology and criteria detailed in Section D.

**B. RECOMMENDATION**

It is recommended that Council Executive approves:

- 1) The use of an Open Procedure whereby all suppliers expressing an interest in the demand-responsive transport (DRT) services contract will be invited to tender.
- 2) The award criteria as set out in Section D of the report.

**C. SUMMARY OF IMPLICATIONS**

<b>I Council Values</b>	Focusing on our customers' needs; being honest, open and accountable; making best use of our resources.
<b>II Policy and Legal (including Strategic Environmental Assessment, Equality Issues, Health or Risk Assessment)</b>	Tenders will be issued, received and analysed in accordance with Standing Orders of West Lothian Council, and The Public Contracts (Scotland) Regulations 2015 and The Procurement (Scotland) Regulations 2016
<b>III Implications for Scheme of Delegations to Officers</b>	None
<b>IV Impact on performance and performance Indicators</b>	The contract will help provide a more responsive transport service in support of the council's public transport provision.
<b>V Relevance to Single Outcome Agreement</b>	None
<b>VI Resources – (Financial, Staffing and Property)</b>	The council has an annual revenue budget of £57,000 for supporting the demand

responsive transport services detailed in Appendix 1. The contract shall run for a period of two years with the option to extend up to 24 months, as needed.

**VII Consideration at PDSP**

None

**VIII Other consultations**

The specification has been provided by Operational Services, who will also participate in the evaluation. The Financial Management Unit, Legal Services, Risk and Insurance and Internal Audit have been consulted. External consultations were carried out with Perth & Kinross council, Stirling Council and Strathclyde Partnership Transport.

**D. TERMS OF REPORT**

**D.1 Background**

The Passenger Transport Strategy outlines the council's commitment to maintaining a public transport network that meets the majority of transport needs within its geographic boundary and provides connections to neighbouring areas. The council will actively seek to deploy revenue and capital resources to provide direct financial support for public transport operations in West Lothian which cater for social needs that would otherwise be unmet and which represent good value for the community.

The Transport Act (1985) provides Local Authorities with powers to secure local bus services which are deemed to be socially necessary and not provided by the free market. The council's Taxibus services are one form of DRT; specifically designed to provide a cost-effective alternative to conventional bus services at times, and in locations, where traditional bus services cannot be justified, thus promoting efficiencies and reducing the environmental impact of on-going travel. Effectively these services offer almost the same attributes for the user as a bus service, contributing to the council's public transport Key Performance Indicator (KPI) by providing residents with an hourly or better daytime passenger transport service Monday to Saturday, by entering into fixed priced contracts with passenger transport companies for the provision of these services, based on passenger usage.

The current Demand Responsive transport service Framework expires in April 2020 driving the need for approval to go out to the market to ensure continuation of service.

The services being tendered are detailed in Appendix 1 and are based on like-for-like replacements of the existing nine Taxibus services, which are currently in use. This is in line with the current public transport strategy, and as agreed by Council Executive on 7 February 2012, whereby all existing Taxibus schemes will remain in operation, as long as they are used, and as long as existing funding allows.

**D.2 In House Capability**

The council does not have an in-house capability to provide this requirement.

**D.3 Procurement Considerations**

This report seeks approval to tender via an open procedure inviting all interested parties to submit a tender whereby all ESPD compliant parties will be evaluated with the top five scoring operators per lot being awarded a two year contract with an option to extend up to a further 24 months in total. As the DRT contract has not previously generated huge interest, the requirement has been advertised in advance on PCS with a Prior Information Notice (PIN). The PIN has recorded nine companies who have registered their interest, with a third of these attending a Meet the Buyer event on 4 November.

Following approval from Council Executive, this requirement will be advertised in accordance with the European Union Directives. It is proposed that the Open Procedure is used to generate interest from SME's who may not have the skills or resources to submit a professional pre-qualification tender and whereby all suppliers expressing an interest in the contract will be invited to tender:

It is proposed that the following award criteria will be applied at the tender stage:

Price 0% (80 points)  
Quality 20% (20 points)

Community Benefits will be evaluated by awarding 4% of points within the quality criteria. Scored community benefits shall have a direct link to the core purpose of the contract and will not discriminate against businesses.

All known routes will be tendered and awarded on a fixed price basis with annual reviews based on the Consumer Price Indexation (CPI). Additional routes required at a later date will go through the council's mini competition process to identify best value suppliers who will be awarded a fixed price contract for the remaining term of the contract, or timescale as required by Public Transport Unit. Fixed price contracts will reduce the strain on council resources and the supply chain by awarding long term contracts, with fixed pricing throughout the term, with exception to annual reviews.

#### **D.4 Budget Implications**

An annual revenue budget of £57,000 per year is available within Operational Services for the provision of support demand-responsive transport (DRT) services detailed in Appendix 1

#### **D.5 Risks**

There are a number of risks identified in this tendering process and framework, including the lack of interest by the supply chain. Risks are being managed through supplier engagement, publishing a PIN notice raising awareness of the contract opportunity and inviting suppliers to a Meet The Buyer event.

### **E. CONCLUSION**

It is recommended that the Council Executive approves the application of the evaluation methodology detailed in Section D above for the tendering of the contract for demand responsive transport, to award a fixed price contract.

### **F. BACKGROUND REFERENCES**

A copy of the tender specification for this contract is available on request from the Corporate Procurement Unit.

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**21 January 2020**

**Appendix 1**

**Demand Responsive Transport Services – Summary of services to be tendered which are currently in use.**

<b>Route Ref.</b>		<b>Route Description</b>
1	WL DRT TB1A	Newton – South Queensferry & Dalmeny Station
2	WL DRT TB2	Roman Camp & Drumshoreland - Broxburn
3	WL DRT TB3	Harburn & Crosswoodhill – West Calder
4	WL DRT TB4	Westwood – West Calder
5	WL DRT TB5	Broxburn – Deans Industrial Estate
6	WL DRT TB6	Gowanbank – Bathgate
7	WL DRT TB7	Beechraigs - Linlithgow
8	WL DRT TB8	Breich – West Calder
9	WL DRT TB29	Westfield – Armadale