

**BUSINESS CASE**

Bus Shelter Infrastructure and Advertising Concession Contract



## EXECUTIVE SUMMARY

The provision, cleaning and maintenance of bus shelters and associated advertising infrastructure, in Plymouth, is currently being delivered by J C Decaux through 'The Sponsored Supply and Maintenance of Street Furniture' contract.

The current contract commenced on 1 January 2000. It is a 20 year contract which is due to terminate on 31 December 2020.

This project seeks to secure a new contract for the provision and maintenance of bus shelters and associated highway advertising infrastructure. The new contract will see the investment and modernisation of public transport infrastructure together with delivery of an income stream for the Council through the sale of commercial advertising using the latest technical solutions both digital and non-digital.

The key objectives of this tender are to:

- Seek income for the Council through the sale of commercial advertising
- Invest in the modernisation of public transport infrastructure

The outcomes and benefits of this proposal are:

- The replacement of existing bus shelters with new, more modern shelter configurations using new technologies where appropriate
- Clean and well maintained public transport and associated advertising infrastructure, presenting a good image of the City and encouraging greater use of public transport services
- The Council receiving a share of the advertising revenue

The contract will stipulate that bus shelter infrastructure, maintenance and cleaning are provided at no cost to the council with the supplier covering their costs through the sale of commercial advertising. There will therefore be no cost to the Council, over and above staff time which is already funded, and therefore no funding requirement.

The key risk associated with this procurement is that insufficient income is generated through the contract to meet the budget target, as included in the MTFP. This risk will be mitigated through soft market engagement sessions with interested suppliers to identify the correct proportion of advertising sites to non-advertising sites to maximise the potential return.

## RECOMMENDED DECISION

**It is recommended that the Leader of the Council:**

Approves the Business Case

Authorises the procurement process

Delegates the award of the contract to Paul Barnard, Service Director for Strategic Planning and Infrastructure

<b>PART I: PROJECT PARTICULARS</b>			
<b>Project Value</b> (indicate capital or revenue)	Estimated value based on research with comparable Local Authorities would suggest a revenue of £70,200,000 to the supplier assuming a 20 year contract term.	<b>Contingency</b> (show as £ and % of project value)	None as no expenditure by the council.
<b>Programme</b>	N/A	<b>Is the project on the 'Priority List' or a Council Pledge (Y/N)</b>	No
<b>Directorate</b>	Place	<b>Service Director</b>	Paul Barnard, Service Director for Strategic Planning and Infrastructure
<b>Senior Responsible Officer</b>	Paul Barnard Service Director for Strategic Planning and Infrastructure	<b>Project Manager</b>	Debbie Newcombe Sustainable Transport Programmes Coordinator
<b>Address and Post Code</b>	Strategic Planning and Infrastructure Plymouth City Council Ballard House  West Hoe Road Plymouth PL1 3BJ	<b>Ward</b>	All wards
<b>Detailed Description of Proposal</b>			

This project seeks to secure a new contract for the provision and maintenance of bus shelters and associated highway advertising infrastructure. The new contract will see the investment and modernisation of public transport infrastructure together with delivery of an income stream for the Council through the sale of commercial advertising using the latest technical solutions both digital and non-digital. In addition to bus shelter advertising, the requirement will include all advertising on existing city centre infrastructure currently comprising of 22 double sided advertising static totems, 3 advertising columns and 2 advertising kiosks.

### **Current Contract**

The provision, cleaning and maintenance of bus shelters and associated advertising infrastructure is currently being delivered by J C Decaux through 'The Sponsored Supply and Maintenance of Street Furniture' contract.

The current contract commenced on 1 January 2000. It is a 20 year contract which is due to terminate on 31 December 2020.

There are currently 603 bus shelters of varying configurations provided under the current contract, plus a further 8 bespoke bus shelters included for the purpose of cleaning and maintenance.

In terms of advertising infrastructure there are:

- 202 advertising shelters each carrying two adverts.
- 22 double-sided advertising static totems, one side displaying commercial advertising and one side council advertising.
- 3 columns carrying up to 6 adverts consisting of both commercial and Council advertising.
- 2 kiosks carrying up to 4 adverts.

Through the current contract all advertising is paper based. Through the new contract we will be looking to maximum advertising to digital platforms.

Under the existing contract all shelters and advertising infrastructure are maintained and cleaned at no cost to the Council. This is funded by the revenue generated through commercial advertising.

Under the terms of the current contract J C Decaux retain all of the advertising revenue.

### **Procurement**

The option to extend the current contract has been considered. However, given the requirement for the Council to generate income from the sale of commercial advertising under the terms of the current contract, this would be seen as a substantial change to the current terms meaning an extension is not possible.

It is therefore proposed to undertake a full EU threshold Procurement in accordance with the Public Concession Contract Regulations 2016, using the Open Procedure with the option for negotiation upon receipt of bids. The contract will run for 10 years with two 5 year extension periods built in to ensure that the most cost effective bids are received.

Under a new contract bus shelter infrastructure and associated highway advertising infrastructure, as defined above, will be upgraded over the term of the contract, to offer the best possible solutions for public transport users, taking advantage of new and emerging technologies throughout the contract term whilst at the same time responding to the climate emergency.

In addition the Council will receive a share of the revenue generated from the commercial advertising. To maximise the revenue share to the Council the ratio of advertising to non-advertising shelters will need to be adjusted. Some advertising sites will also need to be converted from paper to digital format.

An SLA will be agreed and form part of the contract, to ensure a high standard of cleaning and maintenance of the provided infrastructure throughout the contract term.

The contract specification will also contain a requirement for the supplier to work with other appropriate Council suppliers such as the provider of Real Time Passenger Information displays and power supply companies.

The indicative timeline detailed below will apply to this procurement:

Task Name	Date
Procurement Tender Process Commences	09/04/20
Deadline for return of Tenders and Opening	22/05/20
Evaluation & moderation Best & Final tender	20/07/20
Decision Published by Democratic Support	09/09/20
Internal Comms informed of decision	09/09/20
Mandatory Procurement standstill before award	30/09/20
Issue of Contract award letter	12/10/20
Contract Mobilisation	13/10/20
Start of New Contract	01/01/21

### **Climate Emergency Implications**

On 8 March 2019 the Council declared a Climate Emergency and produced a number of key actions to make Plymouth carbon neutral by 2030. The Corporate Carbon Reduction Plan (2019-21) set out the ambitions to:

- Reduce the corporate CO2 emissions and to “deliver the Council’s Carbon Management plan”;
- A green, sustainable city that cares about the environment

The Bus Shelter and Advertising Concession Contract supports these ambitions by modernising Plymouth’s bus shelter. Through the contract specification for new bus shelters will set out the requirement for the successful bidder to meet particular environmental standards, ensuring through both their design and function they will contribute to a green and sustainable city.

Bidders will be asked to explain how their organisation can help Plymouth become carbon neutral by 2030 in delivery of this contract through product design, materials used, power usage, cleaning materials and disposal of redundant infrastructure, and any further enhancements they think will be possible to deliver over the lifetime of the contract to help achieve the Council's Corporate Carbon Reduction Plan.

In addition, through the modernisation of the city's bus shelters the journey experience for bus passengers will be improved and this, coupled with changes in bus services and investment in public transport infrastructure secured through other programmes, will help to achieve a high quality public transport with an associated increase in passenger numbers. This is necessary because, annually, Transport accounts for 28% of the CO<sub>2</sub> in the city. Efforts to encourage and enable more trips to be made by bus will help to decarbonise Plymouth's transport network.

<b>PART 2: VISION AND STRATEGIC CASE</b>	
This is the opportunity to explain the strategic fit and should include how it helps to deliver the Corporate Plan / Plymouth Plan / Joint Local Plan, including how it assists delivery of the vision for the Council.	
<b>a) What is the business need and current issues that this project seeks to address</b> <b>b) Identify and list the objectives</b>	<p>The current contract expires at the end of December 2020. A new contract needs to be commissioned in order for the City's bus shelters and associated highway advertising infrastructure to be upgraded, maintained and cleaned. The new contract will also ensure an income to the Council through the sale of commercial advertising, and will consider the latest technologies and innovations, both digital and non-digital, to ensure that the City's public transport infrastructure will be fit for purpose for years to come.</p> <p>The objectives of this tender are therefore:</p> <ul style="list-style-type: none"> <li>• Seek income for the Council through the sale of commercial advertising</li> <li>• Investment and modernisation of public transport infrastructure to help support greater use of public transport within the City</li> </ul>
<b>a) How does this meet your objectives above</b> <b>b) List the outcomes and benefits of this proposal</b>	<p>The tender specification will stipulate the requirement for an income stream to the Council, together with options for enhanced public transport infrastructure to maximise both the income that can be generated and infrastructure that provides the best solution for bus users.</p> <p>The outcomes and benefits of this proposal will see:</p> <ul style="list-style-type: none"> <li>• The replacement of existing bus shelters with new, more modern shelter configurations using new technologies where appropriate</li> <li>• The Council receiving a share of the advertising revenue</li> <li>• Clean and well maintained public transport and associated advertising infrastructure, presenting a good image of the City and encouraging greater use of public transport services</li> <li>• Modern infrastructure that helps the Council reduce carbon emissions, in response to the Council's declaration of a climate emergency taking consideration of the manufacture, operation (including power sources) and maintenance of the infrastructure</li> </ul>
<b>How much additional Council Tax per year will this generate</b>	None

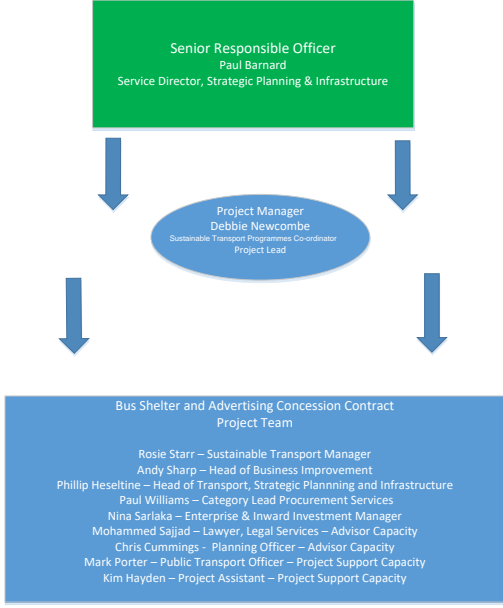
<b>How much Business Rates per year will this create</b>	This will depend on whether the new supplier requires additional advertising sites and on the rateable value of digital advertising. Based on current rates each additional advertising site would generate NNDR of £432, of which £212 is retained by the Council. If the number of advertising sites were to reduce through the new contract this would negatively impact on the income generated through business rates as per the values referred to above (based on current rates).		
<b>How much New Homes Bonus Grant will this raise</b>	None		
<b>How much CIL levy liability will be collected</b>	None		
<b>How many jobs will this proposal create (FTE)</b>	<b>Direct jobs</b>	<b>Indirect jobs</b>	<b>Apprenticeship/Trainee</b>
	No additional jobs created	Dependent on successful bidder	Dependent on successful bidder
<b>What are the consequences of not proceeding</b>	The current contract will end. The Council do not own the bus shelters so the current provider could potentially remove all existing stock and cleaning and maintenance would cease leading to deterioration of any remaining assets, at the same time giving a poor image of the city's public transport infrastructure. Whilst an extension of the current contract is an option, this could only continue on the existing terms and hence there would be no opportunity for the Council to generate an income from the contract		
<b>a) On completion of the project how will you know and report that the objectives have been met b) Date Benefit Realisation will be completed.</b>	New shelters will be installed through an agreed replacement programme, and the Council will receive a share of the advertising revenue from the successful provider. The date benefit realisation will be agreed will depend on the replacement programme agreed with both the incumbent and new provider.		
<b>How does it deliver the Corporate Plan –</b> <a href="http://www.plymouth.gov.uk/aboutcouncil/corporateplan">http://www.plymouth.gov.uk/aboutcouncil/corporateplan</a>			
<b>Growing Plymouth</b>	The bus shelter contract will ensure shelters are clean and well maintained contributing to a clean and tidy city. Upgraded well maintained bus shelters will enhance the public transport offer encouraging people to use buses instead of cars thereby contributing to an efficient transport system. New bus shelters will need to meet particular environmental standards so through both their design and function they will contribute to a green, sustainable city that cares about the environment.		



<b>Caring Plymouth</b>	<p>Provision of attractive, clean and well maintained bus shelters will encourage use of public transport making Plymouth’s transport network less congested and safer thereby keeping children, young people and adults protected.</p> <p>Attractive, clean and well maintained bus shelters also contribute to making Plymouth a welcoming city.</p>
<p><b>How does it deliver the , Plymouth Plan / Joint Local Plan</b>  <a href="https://plymswdevonplan.co.uk/policy">https://plymswdevonplan.co.uk/policy</a></p>	<p>In providing these facilities the Council will be supporting the use of sustainable transport modes as set out in the Adopted Joint Local Plan specifically policies SPT9, principles 5, where it states that the local Planning and highway authorities with key stakeholders will deliver: “realistic sustainable transport choices and increasing the integration of transport modes so that people have genuine alternative ways to travel., ” 6, which seeks to get the most out of our existing network and encourage behavioural change, 9 (delivering transport projects which provide a safe and effective transport system) and 10 (taking control of our transport future, embracing localism, generating independent resources to transform transport investment and embracing changes in travel technology) and policy PLY6 through facilitating the economic development of the city centre.</p> <p>Enhanced bus shelters will also contribute to policy objective HEA6 (PP) of the Plymouth Plan – Delivery of a safe, accessible, sustainable and health-enabling transport system and Policy GRO 4 – Using transport investment to drive growth.</p>
<p><b>How does it achieve Growth Asset and Municipal Enterprise (GAME) objectives</b></p>	<p>The provision of new bus shelters will support sustainable growth through providing infrastructure for a high quality public transport system. Income generated from advertising can be reinvested in public services meeting municipal enterprise objectives.</p>
<p><b>How does it Deliver Public Health and Social Equality outcomes.</b></p>	<p>Provision of clean, well maintained bus shelters will help make public transport an attractive alternative to the car thereby helping improve air quality. This will have a positive effect on public health. In addition, through making public transport more attractive, and hence increasing bus patronage, physical activity will increase (due to the need to travel to / from the bus stop) also benefitting public health.</p> <p>The upgrading of the bus stop infrastructure will also contribute to social equality by providing infrastructure that can be used by all irrespective of where in the city they live.</p>
<p><b>Is this a Statutory Obligation of the Council</b></p>	<p>No</p>
<p><b>In scope</b></p>	<p><b>Out of scope</b></p>

<p>603 bus shelters of varying configurations, of which 202 are advertising sites each carrying two adverts</p> <p>22 double-sided advertising static totems, one side displaying commercial advertising and one side council advertising.</p> <p>3 columns carrying up to 6 adverts consisting of both commercial and Council advertising.</p> <p>2 kiosks carrying up to 4 adverts</p> <p>A further 8 bespoke bus shelters included for the purpose of cleaning and maintenance.</p> <p>Exclusive advertising rights on the public highway in the whole of the Plymouth city area of the following advert range 6 sheet (-25%) 1.647m<sup>2</sup> to 48 sheet (+25%) 23.233m<sup>2</sup>.</p>	<p>Bus stop poles and flags; these are owned and maintained by the Council</p> <p>Highway advertising infrastructure and associated advertising exclusivity not included as 'in scope'.</p>
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**PART 3: PROJECT DEVELOPMENT, PROCUREMENT AND DELIVERY**

<p><b>Project Governance</b> (insert flow chart)</p>	<p>A project board has been set up led by Paul Barnard</p> 		
<p><b>Who are the key customers and beneficiaries</b></p>	<p>All users of Plymouth’s sustainable transport network, citywide, including residents and visitors.</p>	<p><b>Which Partners are you working with</b></p>	<p>The successful bidder, bus operators, power supply companies and 21<sup>st</sup> Century, the Council’s Real Time Passenger Information provider</p>
<p><b>Which Members have you engaged with and how have they been consulted</b></p>	<p>Councillor Mark Coker – Cabinet Member for Strategic Planning &amp; Infrastructure Councillor Sue Dann – Cabinet Member for Environment and Street Scene</p>		

<p><b>Procurement Options</b>  <b>How have you engaged with the Strategic Procurement Service on the options and preferred approach.</b></p>	<p>The Strategic Procurement Service have allocated a Category lead to this project, who has been involved from the commencement of this project and who also sits on the project board.</p> <p>In line with the Council's Contract Standing Orders sections 20.3 and 31, this requirement is classed as a High Value / High Risk Procurement, and as such, the estimated value exceeds the relevant EU threshold and is subject to the full public procurement regime as set out in the Public Concession Contract Regulations 2016 (CCR 2016).</p> <p>Whilst CCR2016 does not stipulate different procurement procedures, subject to compliance with certain key principles and requirements it provides the Council with a level of freedom to choose how to organise its procurement. It has been recommended by the Procurement Service to utilise one of the six EU procurement procedures available as a baseline, two of which have been considered for this particular requirement as follows:</p> <p><b><u>Open Procedure</u></b></p> <p>With the Open Procedure, any interested bidder may submit a bid. The Council is free to use this procedure, which can be applied to both contracts and framework agreements. However in some cases it can be beneficial to choose a procedure (such as the Restricted procedure) where the number of bidders can be reduced at the selection stage based on their capability and capacity, especially if the Council does not have enough resources (such as time) to conduct a full Open Procedure.</p> <p>The Open Procedure is best used where the requirements are typically straight forward, with a relatively simple selection and award process, or it is anticipated that only a small number of suppliers will respond to the advertised Contract Notice.</p> <p>The practicality of the Open Procedure will depend upon the potential number of bids received and the nature of the evaluation criteria. If the Council receives a large number of bids, the evaluation of all compliant bids is likely to be time consuming.</p> <p><b><u>Restricted Procedure</u></b></p> <p>This is a two-stage procedure. Stage 1 is a pre-selection stage and is used to de-select suppliers. Stage 2 is the tender stage and is used to determine a successful supplier to whom a contract will be awarded. A minimum of five suppliers must be invited to tender and in all other cases a minimum of three must be invited to Stage 2. The Restricted Procedure should be used for procurements where market analysis has indicated a large number of bidders are likely to be interested in participating. In this case it is beneficial to use this procedure where the number of bidders can be reduced at the selection stage based on their capacity, capability and experience to perform the contract. Like the Open Procedure the Council are free to use this procedure, in any circumstances and for any type of contract. The contract will be awarded to the most economically advantageous tender (MEAT).</p>
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**Timescales to Consider**

Time limits for the receipt of tenders must take account of the complexity of the concession contract requirement and the time required for the market place to compile and submit tenders.

The minimum time limit for the receipt of tenders is 30 days from the date on which the concession notice was sent for publication in the Official Journal of the European Union (OJEU).

Time limits for receipt of tenders may be reduced by five days where submission by electronic means is allowed.

**Recommendation**

Following research of the current market place for this requirement, and understanding the approach from other Local Authorities the recommended procurement route for this opportunity is to adopt the Open Procedure with the option for negotiation.

If there is, a change in circumstances and the recommended procurement route cannot be undertaken or no longer represents best value for the Council any subsequent procurement route undertaken will be in accordance with the Council's Contract Standing Orders and Procurement Law.

<b>Who is your Procurement Lead</b>	Paul Williams – Category Lead
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## **PART 4: OPTION ANALYSIS**

### **Option Analysis Undertaken**

#### **Option 1: Do Nothing**

The current contract will end resulting in either the removal of existing bus shelter infrastructure by the current provider or unmaintained and uncleaned bus shelters being left to deteriorate, presenting a poor image of the city's public transport infrastructure and city as a whole.

#### **Option 2: Extend current contract**

The current contract terms would not allow the council to receive a share of the advertising revenue. It may also mean that the current infrastructure is not upgraded although it would be cleaned and maintained to the existing standards.

#### **Option 3: Procure a new contract for the provision of the required services**

Procuring a new contract will enable the council to receive a share of the revenue generated through the sale of commercial advertising, together with investment and modernisation of the current public transport infrastructure.

**The preferred option is Option 3**

### **ANALYSIS OF PREFERRED OPTION**

**Demonstrate how this is the best option and most cost effective approach of achieving the objective you have identified. Provide evidence and validate how this is value for money.**

Option 3 allows for negotiation of the contract terms, allows for income generation through the sale of advertising and investment and modernisation of the City's public transport infrastructure to reflect the latest technologies in turn enhancing the user experience.

This option also gives the Council the opportunity to ensure that any new infrastructure and associated power supply meets the Council's climate emergency objectives.

If either options 1 or 2 are pursued there would be no opportunity for the Council to generate income from the contract and the cleaning and maintenance of bus shelters would cease (under Option 1) and potentially all shelters could be removed by the incumbent or left to deteriorate.

<b>PART 5: TIMESCALES AND CONSTRAINTS</b>				
<b>Mandate Date</b>	<b>Presentation to CCIB date</b>	<b>Contract Award date</b>	<b>On Site date</b>	<b>Completion date</b>
N/A	N/A	September 2020	January 2021	Dependent on approved shelter replacement programme determined through the tender process
<b>Have you engaged with Planning Department</b> (if PP is required make sure you engage with planning prior to your BC going to CCIB)	Planning permission for the current advertising sites has already been granted. However, under the terms of the new contract alternative advertising sites may be required and a Planning Officer has been allocated to assist in this project as required.			
<b>Is the budget cost reflective of planning requirements</b>	There is no cost to the Council. Any planning costs will need to be met by the successful bidder.			
<b>Who is your Planning Officer</b>	Chris Cummings			
<b>Planning Consent Date</b>	Not relevant at this stage			
<b>Give reasons for specific completion date</b>	N/A			

**PART 6: AFFORDABILITY AND FINANCING**

*In this section the robustness of the proposals should be set out in financial terms.*

*The Project Manager will need to work closely with the capital and revenue finance teams to ensure that these sections demonstrate the affordability of the proposals to the Council as a whole.*

**CAPITAL COSTS AND FINANCING**

<b>What is the estimated impact on the Annual Band D Council Tax as a result of making the investment decision (Corporate Borrowing only)</b>		2018/19	2019/20	2020/21				
		£N/A	£N/A	£N/A				
<b>Breakdown of project costs including fees surveys and contingency</b>	N/A		£					
			£					
			£					
			£					
	<b>TOTAL</b>		£					
<b>Provide details of proposed funding</b>	N/A							
<b>Which alternative external funding sources been explored (Provide evidence)</b>	N/A							
<b>Are there any bidding constraints and/or any restrictions or conditions attached to your funding</b>	N/A							
<b>Tax and VAT implications</b>	N/A							
<b>Tax and VAT reviewed by</b>	N/A							
<b>Confirm you have taken necessary advice if this proposal is State Aid compliant</b>	N/A							
<b>Will this project deliver capital receipts? (If so please provide details)</b>	N/A							
<b>Capital avoidance</b>	N/A							
Schemes in excess of £0.5m should be supported by a Cost Benefit Analysis. Calculations undertaken should be attached as an appendix to support financial implications shown below. Please contact your revenue accountant for assistance with this section.								
<b>Is the capital ask greater than £0.5m</b>	Y/N	<b>If the answer is yes, have you attached the Cost Benefit Analysis</b>			Y/N			
<b>Capital spend profile</b>	<b>Prev. Yr.</b>	<b>18/19</b>	<b>19/20</b>	<b>20/21</b>	<b>21/22</b>	<b>22/23</b>	<b>Future Yrs.</b>	<b>Status</b>



<b>Total capital spend</b>	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Funding to match with Project Value (Section I)
<b>SI06 or CIL</b> (Provide PA or site numbers)	N/A							
<b>REVENUE COSTS AND IMPLICATIONS</b>								
<b>Feasibility Cost of Developing the Capital Project (To be incurred at risk to Service area)</b>								
<b>Feasibility cost of developing the project</b>	N/A							
<b>Revenue cost code for the feasibility costs</b>	N/A							
<b>Revenue costs incurred for developing the project are to be included in the capital total, the expenditure could be capitalised if it meets the criteria</b>	N/A							
<b>Budget Managers Name</b>	N/A							
<b>Ongoing Revenue Implications for Service Area</b>								
	<b>Prev. Yr.</b>	<b>18/19 £</b>	<b>19/20 £</b>	<b>20/21 £</b>	<b>21/22 £</b>	<b>22/23 £</b>	<b>Futur e Yrs.</b>	
<b>Service area revenue cost</b>	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<b>Loan repayment</b> (terms agreed with Treasury Management)								
<b>Other</b> (eg: maintenance, utilities, etc)								
<b>Total Revenue Cost (A)</b>								
<b>Service area revenue benefits/savings</b>								
<b>Annual revenue income</b> (eg: rents, etc)								
<b>Total Revenue Income (B)</b>								
<b>Service area net (benefit) cost (B-A)</b>								
<b>Has the revenue cost been budgeted for or would this make a revenue pressure</b>								
<b>Which cost centre would the revenue pressure be shown</b>						<b>Has this been reviewed by the budget manager</b>	Y/N	
<b>Name of budget manager</b>								
<b>Loan value</b> £	<b>Interest Rate</b>	<b>%</b>	<b>Term Years</b>	<b>Annual Repayment</b> £				
<b>Revenue code for annual repayments</b>								
<b>Service area or corporate borrowing</b>								
<b>Revenue implications reviewed by</b>								

The above financial tables are not applicable for this Business Case given that no capital borrowing is required for this project.

<b>PART 7: ACHIEVABILITY</b>				
<b>Is there an impact on the service delivery during delivery of project. How will this be mitigated</b>	<p>There will be minor disruption for intending bus passengers as bus shelters are being replaced since buses are unlikely to be able to pull in to the stop. This would be mitigated by either directing people to neighbouring stops or providing a temporary bus stop pole and flag.</p> <p>In order to maximise income generation for the Council, it will be necessary to adjust the proportion of advertising shelters to non-advertising shelters. Bus shelters in areas that are not currently served by public transport will be removed, and a rigorous assessment process will be created for all locations where infrastructure may be altered. However, there will be no loss of boarding opportunities.</p>			
<b>Interdependencies – are there any projects reliant on the delivery of this project.</b>	Subject to the award of Transforming Cities Fund (TCF) Tranche 2 funding delivery of this project would need to be co-ordinated with successful TCF public transport schemes.			
<b>KEY RISKS</b>				
<b>Include up to 5 key risks depending on scale of project, the first two risks are required to be mitigated along with a further 3 key risks to the project..</b>				
<b>Potential Risk 1 Identified</b>				
<b>Description</b>	Insufficient income generated through the contract to meet budget target			
<b>Mitigation</b>	To engage with potential bidders through a soft market assessment exercise and ensure this identifies the correct proportion of advertising sites to maximise potential income. The tender specification will also stipulate provision for open book accounting by the successful supplier to ensure that the revenue return to the Council is transparent throughout the contract period. The Council's Finance Team will also be asked to review the relevant sections of the tender documents prior to advertising the opportunity.			
<b>Risk assessment</b>	<b>Initial</b>	<b>Post mitigation</b>	<b>Current</b>	<b>Current total rating</b>
<b>Likelihood</b> To be scored 1 (low) – 5 (high)	3	1	3	12
<b>Impact</b> To be scored 1 (low) – 5 (high)	4	1	4	
<b>Trend</b>	Downward	<b>Lead officer</b>	Debbie Newcombe	
		<b>Risk champion</b>	Rosie Starr	
<b>Calculated risk value in £ (Extent of financial risk)</b>	£250,000 per annum			
<b>Potential Risk 2 Identified</b>				
<b>Description</b>	Award of contract to new supplier could lead to issues with incumbent during the transitional period meaning slower than anticipated replacement programme impacting on timescales for achieving budgeted income			
<b>Mitigation</b>	To explore potential options through soft market engagement assessment and build findings into the contract specification; engage with current infrastructure provider now so that plans are in place for the removal of existing infrastructure, should this be required.			
<b>Risk assessment</b>	<b>Initial</b>	<b>Post mitigation</b>	<b>Current</b>	<b>Current total rating</b>

<b>Likelihood</b> To be scored 1 (low) – 5 (high)	4	2	3	12
<b>Impact</b> To be scored 1 (low) – 5 (high)	4	2	4	
<b>Trend</b>	Downward	<b>Lead officer</b>	Debbie Newcombe	
		<b>Risk champion</b>	Rosie Starr	
<b>Calculated Risk Value in £</b>	£63,000 in year one			
<b>Potential Risk 3 Identified</b>				
<b>Description</b>	If the incumbent supplier is unsuccessful in their bid, they may not allow the new supplier to clean and maintain their infrastructure for the remaining time the asset is in the ground.			
<b>Mitigation</b>	To explore potential options through the soft market engagement assessment and incorporate suitable cleaning and maintenance into the contract specification, and to consider whether the Council could provide this service on a temporary basis.			
<b>Risk assessment</b>	<b>Initial</b>	<b>Post mitigation</b>	<b>Current</b>	<b>Current total rating</b>
<b>Likelihood</b> To be scored 1 (low) – 5 (high)	3	1	3	12
<b>Impact</b> To be scored 1 (low) – 5 (high)	4	1	4	
<b>Trend</b>	Downward	<b>Lead officer</b>	Debbie Newcombe	
		<b>Risk champion</b>	Rosie Starr	
<b>Calculated Risk Value in £</b>	£30,000			
<b>Potential Risk 4 Identified</b>				
<b>Description</b>	Changes to the public transport infrastructure at some sites in the City could be perceived by users as a reduction, rather than an improvement in provision.			
<b>Mitigation</b>	No bus stop locations which are currently served by sustainable transport will be lost through this programme. The impact will be mitigated by the creation of a rigorous assessment process for all locations where infrastructure may be altered			
<b>Risk assessment</b>	<b>Initial</b>	<b>Post mitigation</b>	<b>Current</b>	<b>Current total rating</b>
<b>Likelihood</b> To be scored 1 (low) – 5 (high)	5	3	5	10
<b>Impact</b> To be scored 1 (low) – 5 (high)	2	1	2	
<b>Trend</b>	Downward	<b>Lead officer</b>	Debbie Newcombe	
		<b>Risk champion</b>	Rosie Starr	
<b>Calculated Risk Value in £</b>	Reputational impact on the Council			

<b>PART 8: CONSULTATION / ENDORSEMENT</b>				
<b>Date business case went to CMT</b> (if required)	Not required	<b>Equalities Impact Assessment updated from Project Mandate stage (Y/N)</b>	Yes	
<b>Author of Business Case</b>	<b>Date</b>	<b>Document Version</b>	<b>Reviewed By</b>	<b>Date</b>
Debbie Newcombe	21/01/2020	v 1.0	Rosemary Starr	24/01/2020
Debbie Newcombe	29/01/2020	v 2.0	Rosemary Starr	30/01/2020
Debbie Newcombe	30/01/2020	v 3.0	Andy Sharp Mohammed Sajjad	30/01/2020 03/02/2020
Debbie Newcombe	30/01/2020	v 4.0	Project Group	06/02/2020
Debbie Newcombe	07/02/2020	v 5.0	Andy Sharp Anthony Payne Hannah West Paul Williams	07/02/2020 10/02/2020 12/02/2020 13/02/2020
Debbie Newcombe	14/02/2020	v 6.0	Paul Williams Mohammed Sajjad David Northey	14/02/2020 14/02/2020 17/02/2020
Debbie Newcombe	17/02/2020	v 7.0		00/00/2018
	00/00/2018	v 8.0		00/00/2018
<b>Senior Responsible Officer sign off</b> I confirm the Business Case is policy compliant, affordable, value for money and has been fully risk assessed.			Paul Barnard	

**CONFIRMATION OF PROMOTORS APPROVAL**

<b>Cabinet Member</b>	<b>Service Director</b>
Cllr Mark Coker, Cabinet Member for Strategic Planning & Infrastructure	Paul Barnard, Service Director for Strategic Planning & Infrastructure
<b>Either email dated:</b>	<b>Either email dated:</b>
<b>Or signed:</b> Mark Coker	<b>Signed:</b> Paul Barnard
<b>Date:</b> 26.02.20	<b>Date:</b> 26.02.20
	<b>Service Director</b>
	N/A
	<b>Either email dated:</b> N/A
	<b>Signed:</b> N/A
	<b>Date:</b> N/A