

EXECUTIVE DECISION

made by a Council Officer



REPORT OF ACTION TAKEN UNDER DELEGATED AUTHORITY BY AN INDIVIDUAL COUNCIL OFFICER

Executive Decision Reference Number – *COD12 20/21*


Decision	
1	<p>Title of decision: Plymouth City Council 2020 Subsidised Bus Network Tender.</p>
2	<p>Decision maker (Council Officer name and job title): Paul Barnard, Service Director for Strategic Planning and Infrastructure</p>
3	<p>Report author and contact details: James Quintrell-Harris Tel: : 01752 307597 Email: james.quintrell-harris@plymouth.gov.uk</p>
4a	<p>Decision to be taken: It is recommended that the following decision is taken:</p> <ul style="list-style-type: none"> To approve the award of local bus service contracts as set out in the Part II Contract Award Report.
4b	<p>Reference number of original executive decision or date of original committee meeting where delegation was made: Executive Decision Reference Number – L09 20/21</p>
5	<p>Reasons for decision:</p> <p>The reason for this decision is to provide seven subsidised bus services, six of which would otherwise cease to operate in December 2020, which have been identified as meeting a social need. Procuring the services will ensure continuity of service for bus passengers, maintain a comprehensive bus network and support Plymouth City Council's commitment to support sustainable transport in accordance with the Plymouth Plan.</p> <p>Furthermore, Plymouth City Council has also been successful in its bid to the Department for Transport's Better Deal for Buses fund, being awarded £137,345 to support or maintain bus services within the city that operators no longer consider commercially viable. This funding needs to be awarded by a competitive tender, and fully spent by January 2022, which this procurement has enabled.</p>
6	<p>Alternative options considered and rejected:</p> <p>The following option has been considered and rejected:</p> <p>Option I: Do Not Award the Contracts</p> <p>If the local bus service contracts are not awarded some residents will be left isolated and without access to essential services, impacting on their wellbeing. In addition the loss of bus services is likely to result in increased congestion, and associated air quality and environmental impacts, from those trips which are replaced by private car use, thus being contrary to the Council's environmental objectives.</p>

	<p>Option 2: Withdrawal of Saturday Service</p> <p>Currently the service 14 operates on a Saturday. This is the only service included in this retendering exercise that operates on a Saturday. Consideration was given to withdrawing the Saturday operation, however, analysis of patronage levels demonstrated that this could have a significant detrimental impact on passengers. Given that the budget is available to include the Saturday service this option was subsequently rejected.</p> <p>Option 3: Contract Payment Terms</p> <p>Operators were asked to submit prices for all services on both a net and gross cost basis.</p> <p>The gross cost price is the total cost of operating the service with no allowance for revenue. If tenderers are successful, Plymouth City Council will pay the gross cost price, minus the actual revenue taken, which the operator will be required to declare. Concessionary fares reimbursement is not be paid.</p> <p>The net subsidy price is the cost of providing the service minus revenue. If tenderers are successful, Plymouth City Council will pay their net subsidy price regardless of the actual level of revenue, which the operator will retain. They will also receive concessionary fares reimbursement.</p> <p>All price options were evaluated. However, to minimise the revenue risk to the council it was felt that awarding all contracts on a net cost basis offered the best value, given the uncertainty around future patronage levels and potential on bus revenue as a result of Covid-19.</p>			
7	<p>Financial implications:</p> <p>The recommended contract award can be fully funded from within existing budgets. As well as making full use of the Council’s non-commercial routes budget, additional grant funding and S106 developer contributions are available to spend on these contracts, as set out below.</p> <p>In 2020-2021 the Council was successful in its bid for the “Better Deal for Buses” fund, securing an additional £137,345 which can be used for restoring lost bus services, supporting new bus services and / or extending current bus services. This funding will be used towards retaining the existing network in accordance with the Fund. Each year the Government also award the Council a grant of £85,008 in respect of Bus Subsidy Ring Fenced (Revenue) Grant, which is provided to support the tendered bus service network.</p> <p>In addition the Council will draw down S106 funding to support a number of these routes totalling £460,844. These funds will be used to support the services for as long as possible or until such time as they become commercially viable.</p>			
8	<p>Is the decision a Key Decision? (please contact Democratic Support for further advice)</p>	Yes	No	<p>Per the Constitution, a key decision is one which:</p> <p>in the case of capital projects and contract awards, results in a new commitment to spend and/or save in excess of £3million in total</p> <p>in the case of revenue projects when the decision involves entering into new commitments and/or making new savings in excess of £1 million</p> <p>is significant in terms of its effect on communities living or working in an area comprising two or more wards in the area of the local authority.</p>
8b	<p>If yes, date of publication of the notice in the Forward Plan of Key</p>	N/A		

	<u>Decisions</u>	
9	<p>Please specify how this decision is linked to the Council's corporate plan/Plymouth Plan and/or the policy framework and/or the revenue/capital budget:</p>	<p>The provision of a subsidised bus service network supports sustainable growth in Plymouth by providing residents with sustainable transport options to access employment, education, healthcare, leisure and retail opportunities.</p> <p>Links to the Corporate Plan:-</p> <p>Growing Plymouth:- The current tendered network supports the city's commercial network by providing additional links to employment opportunities and medical facilities in the Derriford and Northern Corridor Growth Area as well as the City Centre and Waterfront Growth Area, from areas that would otherwise be unserved by local bus services.</p> <p>Caring Plymouth:- The subsidised service network provides valuable links to shops, healthcare, employment, education and leisure for those citizens who do not have access to a commercial bus service. Without these services these residents would face an increased risk of isolation, due to a need to rely on the use of higher cost taxis or relying on the charity and goodwill of friends or family, thereby constraining their independence and impacting on their wellbeing</p> <p>As the commercial network adjusts to meet changing circumstances the subsidised service network provides a safety net; maximising the accessibility of Plymouth's bus network for all.</p> <p>Links to the Plymouth Plan:-</p> <p>Through the provision of subsidised bus services the Council supports the use of sustainable transport modes as set out in the Plymouth Plan specifically policies SPT9 (5)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.," SPT9 (6), which seeks to get the most out of our existing network and encourage behavioural change, SPT9(9) (delivering transport projects which provide a safe and effective transport system) and SPT (10) of the Plymouth and South West Devon Joint Local Plan and policies HEA6 (Delivering a safe, accessible, sustainable and health enabling transport system), GRO4 (Using transport investment to drive growth) and GRO7(Reducing carbon emissions and adapting to climate change) of the Plymouth Plan.</p>

10	Please specify any direct environmental implications of the decision (carbon impact)	<p>On 8 March 2019 the Council declared a Climate Emergency and produced a number of key actions to achieve net zero carbon by 2030.</p> <p>Plymouth City Council's supported bus network contract supports the Councils efforts to reduce carbon emissions by providing an alternative sustainable transport option to the private car, and hence enabling behavioural change.</p> <p>Bidders were asked to stipulate the age and emission standard of the vehicles they propose to operate on the contracts and this was built into the evaluation scoring matrix. The higher the emission standard, the higher the operator has scored.</p>		
Urgent decisions				
11	Is the decision urgent and to be implemented immediately in the interests of the Council or the public?	Yes		(If yes, please contact Democratic Support for advice)
		No		(If no, go to section 13a)
12a	Reason for urgency: N/A			
12b	Scrutiny Chair signature:		Date	
	Scrutiny Committee name:			
	Print Name:			
Consultation				
13a	Are any other Cabinet members' portfolios affected by the decision?	Yes	X	
		No		(If no go to section 14)
13b	Which other Cabinet member's portfolio is affected by the decision?	Cllr Coker, Cabinet Member for Strategic Planning and Infrastructure		
13c	Date Cabinet member consulted	5 th October 2020		
14	Has any Cabinet member declared a conflict of interest in relation to the decision?	Yes		If yes, please discuss with the Monitoring Officer
		No	X	
15	Which Corporate Management Team member has been consulted?	Name		Anthony Payne
		Job title		Strategic Director for Place

		Date consulted	17 th July 2020						
Sign-off									
16	Sign off codes from the relevant departments consulted:		Democratic Support (mandatory)				DS60 20/21		
			Finance (mandatory)				pl.20.21.138		
			Legal (mandatory)				MS.06.11.20		
			Human Resources (if applicable)						
			Corporate property (if applicable)						
			Procurement (if applicable)				PW/PS/564/ED/0611		
Appendices									
17	Ref.	Title of appendix							
	A	Plymouth City Council 2020 Subsidised Bus Network Tender Contract Award Report Part I							
Confidential/exempt information									
18a	Do you need to include any confidential/exempt information?		Yes	<input checked="" type="checkbox"/>	If yes, prepare a second, confidential ("Part II") briefing report and indicate why it is not for publication by virtue of Part I of Schedule 12A of the Local Government Act 1972 by ticking the relevant box in 18b below.				
			No	<input type="checkbox"/>					
			Exemption Paragraph Number						
			1	2	3	4	5	6	7
18b	Confidential/exempt briefing report title: Plymouth City Council 2020 Subsidised Bus Network Tender Contract Award Report Part II				X				
Background Papers									
19	Please list all unpublished, background papers relevant to the decision in the table below. Background papers are <u>unpublished</u> works, relied on to a material extent in preparing the report, which disclose facts or matters on which the report or an important part of the work is based. If some/all of the information is confidential, you must indicate why it is not for publication by virtue of Part I of Schedule 12A of the Local Government Act 1972 by ticking the relevant box.								
Title of background paper(s)			Exemption Paragraph Number						
			1	2	3	4	5	6	7
Council Officer Signature									

20	I agree the decision and confirm that it is not contrary to the Council's policy and budget framework, Corporate Plan or Budget. In taking this decision I have given due regard to the Council's duty to promote equality of opportunity, eliminate unlawful discrimination and promote good relations between people who share protected characteristics under the Equalities Act and those who do not. For further details please see the EIA attached.		
Signature		Date of decision	10/11/20
Print Name	Paul Barnard		