

EXECUTIVE DECISION

Made by a Cabinet Member

Briefing Note Part I



1.0 Executive summary

This paper sets out the justification for a potential tender for subsidised bus services.

In Plymouth, due to the ongoing impact of the Covid-19 pandemic on bus patronage, the anticipated loss of Bus Recovery Grant (BRG) funding, and the introduction of a sliding scale of reduced concessionary reimbursement payments from the 1st April, bus operators are going to struggle to break even from April. Plymouth City Council are actively lobbying for the continuation of the Bus Recovery Grant. However, should this funding not be provided there is a significant risk of changes to the commercial bus network during 2022, including some service withdrawals with the associated detrimental impact on access to services, health and well-being and Plymouth's climate emergency efforts.

Plymouth is a bus based city for most travel by public transport. The maintenance of a comprehensive network is therefore essential in order for Plymouth to fulfil its role as a regional centre through the provision of sustainable transport links to locations such as Derriford Hospital, major employment sites including the Dockyard, Plymouth Science Park and cultural assets including the UK's first National Marine Park.

The pandemic has had a catastrophic impact on bus patronage and the Covid crisis for the bus industry has not yet passed. Plymouth's bus network, both commercial and tendered, has been affected in such a manner that to continue the same level of service, operators may need additional financial support.

Therefore, the key objective of this Decision is to allow the City Council to be able to quickly respond to changes in the commercial network, should they occur, thereby ensuring that public transport is available to local residents and visitors for access to employment, education, healthcare, leisure and shopping facilities, whilst ensuring best value for the Council. In doing so this Decision supports the objectives of the Plymouth Plan (specifically policies HEA6, GRO4 and GRO7), Plymouth and South West Devon Joint Local Plan (specifically policies SPT9 and SPT10) and the Climate Emergency Action Plan through the provision of local bus services.

The outcomes and benefits of this proposal are:

- Provision of local bus services in areas which would otherwise be unserved by the commercial network
- Ensuring local residents and visitors have access, by public transport, to employment, education, healthcare, leisure and shopping opportunities.

This project supports the Councils Climate Emergency Action Plan through the reduction of private car use.

2.0 Purpose of the report

This report seeks approval to commence, if necessary, the procurement process for a number of subsidised bus services which, on award, would become part of Plymouth's tendered bus service network.

The key objective of this Decision is to allow the Council to quickly react to any changes to the commercial network, should Covid-19 Government funding support cease. The potential tender is to ensure that public transport is available to local residents and visitors for access to employment, education, healthcare, leisure and shopping facilities, whilst ensuring best value for the Council.

This paper details the proposed procurement, its rationale and the funding available to support the tender.

The decisions required are:-

- Approval of the Business Case
- Authorisation the procurement process
- Delegation of the cancellation of the procurement process to Paul Barnard, Service Director for Strategic Planning and Infrastructure.
- Delegation of the award of the contract(s) and subsequent management of the contract(s) to Paul Barnard, Service Director for Strategic Planning and Infrastructure.

3.0 Requirement for the procurement

In Plymouth, due to the ongoing impact of the Covid-19 pandemic, the anticipated loss of Bus Recovery Grant (BRG) funding, and the introduction of a sliding scale of reduced concessionary reimbursement payments from the 1st April, bus operators are struggling to break even. Plymouth City Council are actively lobbying for the continuation of the Bus Recovery Grant. However, should this funding not be provided there is a significant risk of changes to the commercial bus network in 2022, with the associated detrimental impact on access to services, health and well-being and Plymouth's climate emergency efforts.

4.0 Procurement Process

The procurement will utilise the Devon County Council Dynamic Purchasing System (DPS). This system has been used in the past and provides the most cost effective procurement when tendering local bus services.

The main benefits of using the DPS are as follows

- The Council do not need to undertake a full public procurement process that is subject to the Public Contract Regulations 2015 (PCR 2015) as this has already been done by Devon County Council in setting up the DPS
- The DPS provides a more similar and quicker route to market as suppliers listed on the DPS have already been assessed for their financial stability, track record, experience and technical & professional ability, before being awarded a place on the DPS
- The use of the DPS has potential to allow longer contracts (up to eight years) and hence encourage a wider base of tenderers and investment in better vehicles
- The process has already been trialled for Plymouth bus service contracts in previous tenders including the retendering exercise in 2020
- Cost savings to Plymouth City Council if compared with undertaking our own procurement process in accordance with the PCR2015.
- Our own approval processes at the point of contract award still apply

5.0 Recommendations

It is recommended that the Leader of the Council:

- Approves the Business Case
- Authorises the procurement process
- Delegates the cancellation of the procurement process to Paul Barnard, Service Director for Strategic Planning and Infrastructure.
- Delegates the award of the contract(s) and subsequent management of the contract(s) to Paul Barnard, Service Director for Strategic Planning and Infrastructure.