

CABINET

12 September

LEVELLING UP FUND – TRANSPORT PROJECT PROCUREMENT

Report of the Portfolio Holder for Highways, Transport, and the Environment

Strategic Aim:	Sustainable Lives	
Key Decision: Yes	Forward Plan Reference: FP/070723	
Exempt Information	No	
Cabinet Member(s) Responsible:	Cllr C Wise - Portfolio Holder for Highways, Transport, and the Environment	
Contact Officer(s):	Penny Sharp – Strategic Director for Places	07973 854906 psharp@rutland.gov.uk
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Ward Councillors	All	

DECISION RECOMMENDATIONS

That Cabinet:

1. Approves the procurement of the required vehicles and associated infra-structure detailed within the bid, using Levelling Up Fund (LUF) capital grant and BSIP+ funding.
2. Delegates authority to the Strategic Director for Places in consultation with the Leader of the Council and the Portfolio Holder with responsibility for Transport to approve associated procurement and award, resulting in spend to deliver transport operations projects. This is subject to the caveat that award of any call-off contract with a value above the UK Procurement Threshold must be authorised by Cabinet in accordance with Rule 16.64 of the Council’s Contract Procedure Rules.

1 PURPOSE OF THE REPORT

- 1.1 This report sets out the projects to be funded through Levelling up fund (LUF) capital grant monies to deliver operational transport projects detailed within the bid.
- 1.2 This report seeks approval to access LUF capital grant monies to procure the transport operations element of Rutland’s LUF projects. The report also seeks delegated authority to procure and spend the transport operations element of the LUF capital grant and the new bus service improvement plan + (BSIP+) grant.

2 BACKGROUND AND MAIN CONSIDERATIONS

2.1 LUF Grant

2.2 In March 2022, the Department for Levelling Up Housing and Communities (DLUHC) launched Round 2 of LUF. This was a competitive capital grant funding programme for investment in infrastructure to support local communities to 'level up' through: regenerating town centre and high streets; upgrading local transport and highways; and investing in cultural and heritage assets.

2.3 With Cabinet approvals in place, Rutland County Council and Melton Borough Council submitted a joint bid and were successful. The bid focussed on addressing shared issues in rural market town economies. This aligned with the MP constituency area reflecting the need for MP support as a gateway requirement for LUF applications.

2.4 Rutland County Council is the Lead Local Authority with agreement the function is undertaken on a full cost recovery basis and with a formal agreement between the two local authorities governing the working arrangements including a partnership governance structure. See full report to Cabinet and Council: <https://rutlandcounty.moderngov.co.uk/documents/s26386/Report%20No.%2058.2023%20-%20Rutland%20and%20Melton%20Levelling%20Up%20Fund%20Grant.pdf>

2.5 This report seeks delegated authority to the Strategic Director of Resources (Section 151 Officer) and Strategic Director of Places the administration and implementation (including project delivery) of the Levelling Up Fund grant transport operations requirements and reporting in accordance with the Memorandum of Understanding and DLUHC's monitoring returns DLUHC Levelling Up Funds Local Authority Assurance Framework.

2.6 Officers are now seeking approval to procure vehicles and associated infra-structure to deliver the operational transport elements of the Transport capital project. This then leads to a procurement process for the purchase of the vehicles and the commissioning of further work to deliver associated improvements as set out in Appendix A.

3 TRANSPORT PROJECTS

Rutland County Council LUF transport projects are set out below.

3.1 **Mobi Hub Integrated transport** – addressing issues with connectivity and accessibility between market towns and services, particularly health. The funding will provide a new integrated transport hub (a 'mobi-hub') for public transport and active travel near Oakham railway station and Rutland Memorial Hospital (RMH). The mobi-hub was considered by Cabinet in August. <https://rutlandcounty.moderngov.co.uk/documents/s27173/Report%20No.118.2023%20-%20LUF%20Commissioning%20Design%20and%20Planning%20to%20RIBA%20Stage%203.pdf>

3.2 **Demand responsive transport (DRT)** - 2 flexible on-demand routes connecting Oakham and Melton market towns.

- 3.3 **Electrification of town bus services** – Oakham & Uppingham town bus routes to be electrified.
- 3.4 Up to £3 million of grant funding is allocated to the capital set-up of the transport operation projects. Indicative maximum spend estimates can be seen in Appendix A.
- 3.5 The on-going running costs of associated services will be covered by existing public transport revenue budgets at both local transport authorities via bus network re-design and/or route integration. A bus network review business case will be brought to cabinet for approval in October 2023.
- 3.6 Urgent release, procurement and spend of the transport allocation is needed to enable delivery within the timeframe required for LUF grant spend of March 2025, the current lead-in time for new minibuses is currently 9-12 months from order to delivery making procurement of vehicles the highest priority consideration.
- 3.7 The transport operations elements of the LUF bid are ready to proceed and therefore funding for the transport element is now required in preparation for delivery.

4 Bus Service Improvement Grant Plus (BSIP+)

- 4.1 Following on from several post-covid support grants, DfT has allocated one-off grant funding to those Local transport Authorities (LTAs) who did not receive Bus service improvement plan funding in 2021. For 2023/24 RCC will receive a BSIP+ grant allocation of £253k to support public bus provision in 2023/23. There is an indication that further grant funding from DfT of £253k will be available next financial year.

5 PROCUREMENT

- 5.1 The procurement and implementation of the transport operation elements of the LUF programme will be in accordance with the Council's Constitution, including the Contract Procedure Rules and Financial Procedure Rules.
- 5.2 Fleet will be procured via the Eastern Shires Purchasing Organisation (ESPO) specialist vehicle framework 215-20.
- 5.3 DRT resource will be procured via an open tender exercise and with advice from Lincolnshire County Council, who have successfully run Call connect DRT for over 11 years and Leicestershire County Council who are currently trialling a new DRT service zone.
- 5.4 Electric Vehicle charge points (EVCP's) to support electrification of fleet will be tendered with input and advice from both Midlands connect and The Energy Savings Trust. RCC are currently working with Midlands connect on an EV infrastructure pilot project and their expertise in this field will ensure the most appropriate suppliers and/or framework are identified for procurement of EVCP's on a small scale to achieve best value.

6 CONSULTATION

- 6.1 The bus user forum is held 4 times a year in addition to user server drop-in sessions and views pertinent to the delivery of bus improvements and DRT will be canvassed

through this regular meeting.

- 6.2 Cross-boundary working is required to deliver the new bus routes and therefore Leicestershire County Council and bus users in Melton Borough will be consulted.

7 ALTERNATIVE OPTIONS

- 7.1 For Rutland, the Council would need to find alternative sources of capital funds to deliver its ambitions to transform public transport. If this is not an option services will have to be reduced.

8 FINANCIAL IMPLICATIONS

- 8.1 The funding from the transport grants will cover 100% of the costs associated with the transport projects within this report. There are no implications for RCC's budgets.

9 LEGAL AND GOVERNANCE CONSIDERATIONS

- 9.1 All procurement to resource delivery of transport operation LUF projects will be conducted in partnership with the Welland Procurement Unit, in line with the requirements of the Public Contracts Regulations 2015 and the Council's Contract Procedure Rules.

- 9.2 Legal advice on the tendering and award will be sought at the appropriate stages of the procurement process.

10 DATA PROTECTION IMPLICATIONS

- 10.1 A Data Protection Impact Assessments (DPIA) has not been completed because there are no risks/issues to the rights and freedoms of natural persons.

11 EQUALITY IMPACT ASSESSMENT

- 11.1 Any public transport provision implemented will be compliant with The Public Service Vehicles Accessibility Regulations (PSVAR) ensuring equality in access to services. Exemption from this requirement will not apply to LUF transport operations projects.

12 COMMUNITY SAFETY IMPLICATIONS

- 12.1 An improved public transport offer providing access to social and leisure services can be effective in helping to reduce anti-social behaviour, especially in younger residents.

13 HEALTH AND WELLBEING IMPLICATIONS

- 13.1 Improved public transport provision results in reduced rural isolation and emissions from private car use, increased physical activity and access to services.

14 CONCLUSION AND SUMMARY OF REASONS FOR THE RECOMMENDATIONS

- 14.1 The release of the LUF monies for transport operation projects will ensure that funding can be spent within the timeframe of the grant. Projects are ready to

implement but the long lead-in time for procuring vehicles requires access to the grant funding.

- 14.2 Acceptance of the BSIP+ grant for use in supporting the bus network for the current financial year will ensure that access to public bus services is not reduced,
- 14.3 Delivery of transport projects via both the LUF and BSIP+ grants will ensure residents, and visitors to the county, feel the benefits of improved transport and opportunities to access services.
- 14.4 Transport is an essential consideration across many projects and services linking people with services. Connectivity and accessibility to healthcare, tourism, education, employment are important outcomes for LUF projects and other projects workstreams for RCC to deliver the corporate aims and objectives.

15 BACKGROUND PAPERS

- 15.1 Report No. 58/2023 - Rutland and Melton Levelling up fund grant report 27th March 2023
<https://rutlandcounty.moderngov.co.uk/mgCalendarMonthView.aspx?XXR=0&M=3&DD=2023&ACT=Go>
- 15.2 Rural Innovation in Place – Levelling up proposition for Rutland & Melton
<https://www.melton.gov.uk/media/llvdpgjs/levelling-up-proposition-for-rutland-and-melton.pdf>.

16 APPENDICES

- 16.1 Appendix A - LUF Transport indicative costs

A Large Print or Braille Version of this Report is available upon request – Contact 01572 722577.

Appendix A. LUF Transport indicative costs

Equipment	Indicative costs	Considerations	Risks
Purchase of electric buses			
Decarbonisation: Pilot electric town centre 'Hopper' services			
Decarbonisation: Community transport electric minibus pilot			
Fleet purchase	£1.4 million	9-12 month lead in time from order to deliver	Delay in ordering of vehicles could see projects not delivered within the grant timeframe
Electric vehicle charge points (EVCP's)	£20k	Dedicated EVCP's required in Oakham and Uppingham for private use for town bus services. Funds to be available in advance of EVCP procurement	Delays in procuring and installing EVCP's could see the roll-out of the project impacted. Driver familiarisation and range testing of the charge required in advance of utilising on live services.
Other *	£820,000	Assessment of potential barriers to installing EVCP's and to traffic issues in relation to the mobi-hub siting. Early identification of issues and possible solutions required	Identification of issues too late may result in changes to projects plans and/or increased costs
Countywide Digital Demand Responsive Transport: Ensuring all residents have access to passenger transport			
DRT booking provision + equipment	£200k	To be available in advance of tendering for service delivery	Any delay in purchase could result in inability to provide detailed specification for route delivery tenders. 6-month consideration
Creation of travel hubs: Improving onwards travel information and integration between travel modes.			

Creation of travel hubs – Trial mobi-hub in existing bus station & Melton DRT hub	£250k	Early actioning will allow for more informed planning for the building of a new mobi-hub facility	None applicable
Bus stop audits and improvements: Improving the comfort, accessibility and safety of waiting areas			
Bus stop improvements between Oakham & Melton	£70k	Cross-boundary working will require early works prior to launch of DRT routes	Improvements for passengers cannot stop at county boundary
8% contingency	£240k	To cover unforeseen costs associated with the projects	

- * Transport Impact assessment requirements – Additional work required in assessing suitability of the area surrounding the proposed Mobi-hub site.
- * Flood risk mitigation investigation – Current transport operations depot is at risk of flooding. Mitigation required for this to be considered for EVCP's to electrify fleet.