

CABINET

11 January 2024

CONTRACT AWARD FOR PURCHASE OF THE REQUIRED VEHICLES AND ASSOCIATED TRANSPORT INFRA-STRUCTURE DETAILED WITHIN THE LEVELLING UP FUND BID

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

Strategic Aim:	Sustainable Lives	
Exempt Information	Yes, Exempt Appendix B	
If yes please state relevant paragraph from Schedule 12A LGA 1972:	Paragraph 3, information relating to the financial or business affairs of any person.	
Exemption authorised by Chief Executive or in his absence by Strategic Director :	02/01/24	
Cabinet Member(s) Responsible:	Cllr C Wise, Portfolio Holder for Highways, Transport and the Environment	
Contact Officer(s):	P Sharp/ Strategic Director for Places	07973 854906 psharp@rutland.gov.uk
Name/Job Title	A Culleton/ Head of Public Realm	aculleton@rutland.gov.uk
Ward Councillors	All	

1 SUMMARY AND RECOMMENDATIONS

SUMMARY

- 1.1 A procurement process to purchase vehicles to deliver a new public bus service has been undertaken via the Eastern Shires Purchasing Organisation (ESPO) specialist vehicle framework 215-20.
- 1.2 Following a thorough procurement process, a winning bidder has been identified. See Exempt Appendix B.
- 1.3 The report seeks Cabinet approval of the award of the call-off contract in accordance with Rule 16.64 of the Council's Contract Procedure Rules.

Recommendations

- 1.4 Approves the award of the Contract for purchase of Fleet Vehicles.

Reasons for the Recommendations

- 1.4.1 A robust procurement process has been followed, which has identified a winning tender that is most economically advantageous and meets the quality criteria required.
- 1.4.2 The purchase of fleet vehicles supports the ambition of the Council to reduce impact on the environment through the use of electric vehicles and to develop a new public bus network service.
- 1.4.3 The purchase of fleet vehicles is essential for the delivery of the new bus network. Revenue savings identified in the review will not be achieved without new fleet vehicles and so supports the recommendations.

2 INTRODUCTORY PARAGRAPH

- 2.1 At its meeting on 12th September 2023, Cabinet approved the procurement of vehicles and associated transport infra-structure as set out in the Levelling Up Fund project.
- 2.2 Further to that report, at its meeting on 17th October 2023, Cabinet approved a new delivery model for the public bus network which requires investment in new vehicles and associated transport infra-structure.
- 2.3 The vehicle procurement via the Eastern Shires Purchasing Organisation (ESPO) specialist vehicle framework 215-20 commenced in November 2023 with a deadline for submission of bids of 8th December 2023. The specification for the new vehicles is attached at Appendix A.
- 2.4 Cabinet approval is required to award call off contracts via the Eastern Shires Purchasing Organisation (ESPO) specialist vehicle framework 215-20, in accordance with Rule 16.64 of the Council's Contract Procedure Rules for awards exceeding £213,477 in order to purchase vehicles as outlined in the LUF bid.
- 2.5 The value of the bids is likely to exceed £1 million.

Options Considered

- 2.6 If LUF grant was not available for the purchase of vehicles, 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
- 2.7 If LUF grant was not available for the purchase of vehicles, 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
- 2.8 Procurement of buses via open procurement processes would take longer and would be likely to cost more than following a framework call-off process where prices are set and so was excluded.

- 2.9 Whilst alternative frameworks were available, Rutland has good experience of using the Eastern Shires Purchasing Organisation, and it is considered a good fit for the purpose of vehicle purchase.

Background

- 2.10 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.
- 2.11 Following procurement through the ESPO framework, the report seeks approval to award contracts to the winning bidder in order to deliver the operational transport elements of the Transport capital project funded through LUF. Further work to procure associated transport infra-structure will follow, however, given the long lead times for delivery of vehicles, this is a vital step to achieving the new public bus network.

Procurement

- 2.12 This procurement process was managed by Welland Procurement in partnership with Rutland County Council under a call off competition under ESPO Framework 215_20 Specialist Vehicles, Lot 6 – Minibuses with a deadline of 8th December 2023 for submission of bids. Using a specialist framework ensures that suppliers' quality has already been assessed, and they have been determined by the framework to be able to meet requirements.
- 2.13 The use of the Framework ensures that the procurement is compliant with the Public Contract Regulations 2015, and with the Council's Contract Procedure Rules.
- 2.14 The aim is to place a one-off order for 11 minibuses, made up of 8 diesel and 3 Electric Vehicles (EVs) to deliver passenger transport services in the county. The specification for the vehicles is shown at Appendix A.
- 2.15 The intention being for the Council to operate a countywide bus network including electric town bus services and Demand Responsive Transport (DRT) services to meet demand as detailed in the LUF bid document.
- 2.16 The Council used an electronic tendering tool to manage this procurement process via a tendering portal operating on ProContract software.
- 2.17 Bidders were asked to complete an Award Questionnaire. Each tender was evaluated based on quality and price, to determine the most economically advantageous tender. The award criteria are made up of;
- 2.18 Quality 40%
- 2.19 Price 60%

The tenders were evaluated and scored independently by two officers.

Consultation

2.20 There is no further need for consultation on the award of contract.

3 IMPLICATIONS OF THE RECOMMENDATION

Financial Implications

- 3.1 There are no additional financial issues arising from this report as the transport grants will fund the capital costs associated with the purchase of fleet vehicles. The allocation of grant funding in the Levelling Up Fund (LUF) programme facilitates the purchase of these vehicles and as such is within the parameters for the LUF project. The LUF programme and associated projects were incorporated into the Capital Programme as part of the approval from Council in March 2023, Report No. 58/2023.
- 3.2 The investment in new vehicles is necessary to move forwards with the bus network review as approved by Cabinet in October 2023, and linked to the transformational savings which are included in the draft Integrated Budget Plan 2024/25 and Medium Term Financial Strategy 2024/25-2027/28 consider at this Cabinet meeting.

Legal Implications

This section has been approved by Sarah Khawaja, Head of Legal & Democratic Services.

- 3.3 All procurement to resource delivery of transport operation LUF projects has been 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.

Risk Management Implications

- 3.4 The main risks to this Report and the Council achieving its objectives are as follows:
- 3.5 Risk: Late delivery of fleet vehicles will delay the implementation of the new public bus network and expected reduction in revenue costs.
- 3.6 Assessment of Risk (Medium)
- 3.7 Mitigation: Quality criteria in the tender requires delivery of vehicles within eighteen months of the date of order so that they are all available to be used immediately.
- 3.8 Residual Risk (Low)
- 3.9 Record of Risk (Transport WS12 Programme Risk Register):

DATA PROTECTION IMPLICATIONS

- 3.10 A Data Protection Impact Assessments (DPIA) has not been completed because there are no identified risks or issues to the rights and freedoms of individuals.

EQUALITY IMPLICATIONS

- 3.11 An Equality Impact Assessment (EqIA) has not been completed for the following

reason, 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.

COMMUNITY SAFETY IMPLICATIONS

- 3.12 The Council has a duty in accordance with S17 Crime and Disorder Act 1988, when exercising its functions, to have due regard to the likely effect of that exercise of those functions on and the need to do all that it reasonably can to prevent crime and disorder in its area (including anti-social behaviour).
- 3.13 This duty has been considered and there are no community safety implications relating to the recommendations.
- 3.14 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.

HEALTH AND WELLBEING IMPLICATION

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

ENVIRONMENTAL AND CLIMATE CHANGE IMPLICATIONS

- 3.16 On 11 January 2021 Rutland County Council acknowledged that it was in a climate emergency. The Council understands that it needs to take urgent action to address it.
- 3.17 Three of the eleven vehicles, in the tender are electric vehicles. Use of this alternative fuel to diesel offers an opportunity to improve on the current level of emissions which has a positive impact on environmental and climate change implications of the Recommendations.

PROCUREMENT IMPLICATIONS

- 3.18 The procurement implications are set out in the body of this report.

HR IMPLICATIONS

- 3.19 There are no HR implications in the procurement of vehicles.

4 BACKGROUND PAPERS

- 4.1 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](https://rutlandcounty.moderngov.co.uk/mgcalendarmonthview.aspx?xxr=0&m=3&dd=2023&act=go)
- 4.2 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.](https://www.melton.gov.uk/media/llvdpjgs/levelling-up-proposition-for-rutland-and-melton.pdf)

- 4.3 Levelling Up Fund – Transport Project Procurement
<https://rutlandcounty.moderngov.co.uk/ieListDocuments.aspx?CId=133&MId=2792>

5 APPENDICES

- 5.1 Appendix A – Tender for Fleet Procurement
- 5.2 Exempt Appendix B. Appendix B is marked as “Not For Publication” Because It Contains Exempt Information as defined in paragraph 3 Of Part 1 Of Schedule 12A of The Local Government Act 1972, namely commercially sensitive information.

An Accessible Version of this Report is available upon request – Contact 01572 722577.