Agenda item:

HAMPSHIRE COUNTY COUNCIL

Decision Report

Decision Maker:	Executive Member for Economy, Transport and Environment
Date:	21 April 2015
Title:	Contract for the Administration of the Hampshire Concessionary Fares Scheme
Reference:	6608
Report From:	Director of Economy, Transport and Environment

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1. Executive Summary

1.1. The purpose of this paper is to seek approval to procure and spend for a contract to provide the administration for the Hampshire Concessionary Fares Scheme. It also seeks to set out the background to the contract together with what it will provide. The financial arrangements and implications on budgets are also considered.

2. Contextual information

2.1. In April 2011 Hampshire County Council became the Travel Concessionary Authority responsible for the administration of the English National Concessionary Travel Scheme in Hampshire.

2.2. As part of its responsibilities under the scheme the council procured, during 2013, a contractor to provide a Customer Management System (CMS) and Asset Management System/Host Operators Processing System (AMS/HOPS).

2.3. The CMS system provides a means of recording the details of people who are receiving concessions under the scheme (bus passes and vouchers) and supports the initial production and renewal of concessions. The AMS/HOPS is a core component in every ITSO (the national standards organisation for transport smartcards) scheme, providing the pipeline through which all card information and data flows are managed. For example, when a smartcard is used on a bus which has a smart reader, an electronic transaction is created and recorded and that data is managed through the AMS/HOPS.

2.4. In addition to the above, the County Council has a further contract, currently with JMP Consultants Ltd, which manages the overall administration of the Hampshire scheme on a day to day basis for the council. The current contract with JMP, which was awarded for up to five years and has now run its maximum contract term, expires on 31 December 2015.

3. Contract for the Administration of the Hampshire Concessionary Fares Scheme

3.1. The proposed contract for the administration of the Hampshire Concessionary Fares scheme will in outline require the successful contractor to:

i) Take responsibility for the overall administration of the national Concessionary Fares Scheme in Hampshire on behalf of Hampshire County Council, the issuing authority.

ii) Keep under review and record any improvements or changes which may be appropriate and necessary including any impact of legislative or other proposals which may affect the scheme.

iii) Assist in negotiations between transport operators, the council and other interested parties including appeals processes to settle operators' claims for reimbursement.

iv) Undertake the administration and production of all the documentation governing the Hampshire scheme including publicising the agreed scheme details to transport operators on an annual basis.

v) Have a comprehensive system in place for calculating and reimbursing payments to operators under the scheme and for verifying the accuracy of returns from operators through a programme of on-board vehicle surveys.

vi) Manage and review the scheme on an ongoing basis, including the production of an annual scheme report to the council.

3.2. The existing contract for the administration of the Hampshire Concessionary Travel Scheme expires on 31 December 2015 and a new procurement process needs to be undertaken. It is proposed that the initial contract term will be for four years with the option to extend this for a further two years to a maximum of six years.

4. Finance

4.1. The contract will be awarded initially for four years with an option to extend up to six years. Based upon current costs, the estimated cost of this contract over the six year period is estimated at £350,000. This cost would need to be fully funded by the County Council through the Concessionary Fares budget.

5. Conclusion

5.1. The County Council has a statutory responsibility for the administration of the English National Concessionary Travel Scheme in Hampshire. The proposed contract award will enable the council to fulfil this responsibility.

6. Recommendations

6.1 That approval to procure and spend be given in respect of a contract for the administration of the Hampshire Concessionary Fares Scheme of up to six years duration with an estimated value of £350,000, to be fully funded by Hampshire County Council.

6.2 That the Director of Economy, Transport and Environment be given delegated authority to agree any variations to the items approved referred to in paragraph 6.1, in consultation with the Executive Member for Economy, Transport and Environment.

CORPORATE OR LEGAL INFORMATION:

Links to the Corporate Strategy

Hampshire safer and more secure for all:	no
Corporate Improvement plan link number (if appropriate):	
Maximising well-being:	yes
Corporate Improvement plan link number (if appropriate):	
Enhancing our quality of place:	no
Corporate Improvement plan link number (if appropriate):	

Other Significant Links

Links to previous Member decisions:		
Title	Reference	Date
Joint Procurement of HOPS for Concessionary Fares	4610	22 January 2013
Contract awards for a Host Operator or Processing System (HOPS), Customer Management System (CMS), Card Production and Operator for Concessionary Fares	5164	10 September 2013
Direct links to specific legislation or Government Directives		
Title		Date
Transport Act 2000		30 November 2000

Section 100 D - Local Government Act 1972 - background documents

The following documents discuss facts or matters on which this report, or an important part of it, is based and have been relied upon to a material extent in the preparation of this report. (NB: the list excludes published works and any documents which disclose exempt or confidential information as defined in the Act.)

Document	Location
None	

IMPACT ASSESSMENTS:

1. Equality Duty

1.1. The County Council has a duty under Section 149 of the Equality Act 2010 ('the Act') to have due regard in the exercise of its functions to the need to:

- Eliminate discrimination, harassment and victimisation and any other conduct prohibited under the Act;
- Advance equality of opportunity between persons who share a relevant protected characteristic (age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, gender and sexual orientation) and those who do not share it;
- Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

Due regard in this context involves having due regard in particular to:

(a) The need to remove or minimise disadvantages suffered by persons sharing a relevant characteristic connected to that characteristic;

(b) Take steps to meet the needs of persons sharing a relevant protected characteristic different from the needs of persons who do not share it;

(c) Encourage persons sharing a relevant protected characteristic to participate in public life or in any other activity which participation by such persons is disproportionally low.

1.2. **Equalities Impact Assessment:**

The project will appoint a contractor to take responsibility for the overall administration of the National Concessionary Fares Scheme in Hampshire on behalf of Hampshire County Council. The contractor will manage and review the scheme on an on-going basis and have in place a comprehensive system for calculating and reimbursing payments to transport operators under the scheme and for verifying the accuracies of returns from transport operators through a programme of on-board vehicle surveys.

The contract will enable the County Council to continue providing the Hampshire Concessionary Travel Scheme in Hampshire. The concessions offered by the scheme, which support the transport needs of older and disabled people, help to support the County Council's well being agenda. The ability to continue to reimburse operators accurately is a key requirement of the scheme.

No change is proposed to the concessions available through the scheme or their use as a consequence of this decision, and therefore the impact to older and disabled people is low from this project. The contract will maintain an existing back office function which supports the scheme.

2. Impact on Crime and Disorder:

2.1. The administration of a smart ticketing system and the programme of on-board vehicle surveys should ensure that operators are only able to receive imbursement for valid journeys.

3. Climate Change:

3.1. How does what is being proposed impact on our carbon footprint / energy consumption?

The proposal will support transport operators in providing an attractive alternative to individual car journeys so help to reduce carbon emissions

3.2. How does what is being proposed consider the need to adapt to climate change, and be resilient to its longer term impacts?

The proposal supports the provision of alternatives to the car, and thereby contributes to adaptation to the increasing requirement for sustainable modes of transport.