

HAMPSHIRE COUNTY COUNCIL

Decision Report

Decision Maker:	Executive Member for Environment and Transport
Date:	5 March 2013
Title:	Procurement following Commercial Deregistration of the Alresford Cango
Reference:	4765
Report From:	Director of Economy, Transport and Environment

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1. Executive Summary

- 1.1. This report proposes a plan of action to ensure that the Alresford Cango continues to support access to work, education, retail, leisure and health for the widest section of the community thereby supporting quality of life as well as achieving value for money. This proposal reflects the current financial situation and the budget that is allocated.
- 1.2. A four year contract with options to extend incrementally to six years is proposed to attract the most competitive tender response.

2. Contextual information

- 2.1. The Alresford Cango service was originally tendered in July 2011. The successful tenderer, RJB (UK) Ltd, was awarded a 2 year contract with an option extend to 6 years to start from 10 October 2011.
- 2.2. RJB(UK) Ltd went into liquidation on the afternoon of Friday 18 January 2013 and an emergency contract was provided to ensure continuity of service. This will expire on 21 April 2013.
- 2.3. For the Alresford Cango, an emergency contract was awarded to Velvet at a gross cost pro-rata to £139,200 per annum.
- 2.4. A four year Contract with options to extend incrementally to six years is proposed for the Alresford Cango to maximise bidder interest.
- 2.5. A full tender was issued to comply with current Procurement legislation.

3. Finance

- 3.1. The cost of the emergency Alresford Cango being run by Velvet is £139,200 (gross) per annum, (£34,800 for 3 months). The Alresford Cango includes a

Home to School Transport contract at an annual value of £33,814 which is included in these figures.

3.2. The cost of the awarded contract is £122,780 per annum

4. Performance

4.1. The proposed Alresford Cango service will continue to support access to work, education, retail, leisure and health for the widest section of the community thereby supporting quality of life in the areas affected as well as achieving value for money. This service will reflect the current financial situation and the budget that is currently allocated. The proposed level of service was developed as part of the Bus Subsidy Review in 2011.

5. Recommendation

5.1. That approval be given to procure a bus service, Alresford Cango, under the Dynamic Purchasing System. The resulting contract will be of up to 4 years, with options to extend in increments up to 6 years duration with an estimated value of £122,780 per annum of which £122,780 is related to Hampshire County Council.

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:		
<u>Title</u>	<u>Reference</u>	<u>Date</u>
Retendering of Local Bus Services – Alton, Andover and Burghclere Cango	2710	27 July 2011
Direct links to specific legislation or Government Directives		
<u>Title</u>	<u>Date</u>	

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.)

<u>Document</u>	<u>Location</u>
None	

IMPACT ASSESSMENTS:

1. Equalities Impact Assessment:

- 1.1 The proposals in this report have been developed with due regard to the requirements of the Equality Act 2010, including the Public Sector Equality Duty and the Council's equality objectives. An assessment of the impacts in this service area can be found at <http://www3.hants.gov.uk/equality/equality-impact-assessments/cx-pu-eqimpact-envi.htm> under "Safe and Efficient Transport Systems in Hampshire".

It is considered that the issues covered by this report will not have impacts requiring further specific actions by the Council above those already established in its existing policies and working procedures.

2. Impact on Crime and Disorder:

- 2.1. It is considered that the decision will have no impact on crime and disorder.

3. Climate Change:

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

Delivering an effective public transport system within affordable funding levels provides an alternative to the use of the private car.

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

An effective public transport alternative matches provision to need and minimises carbon emissions.