



**FOR PUBLICATION**

**DERBYSHIRE COUNTY COUNCIL**

**CABINET**

**Thursday, 13 October 2022**

**Report of the Executive Director - Place**

**Approval to Procure Goods and Services to Enable the Delivery of the  
Bus Service Improvement Plan (BSIP)**

(Cabinet Member for Highways, Assets and Transport)

**1. Divisions Affected**

1.1 County-wide.

**2. Key Decision**

2.1 This is a key decision because it is likely to result in the Council incurring expenditure which is, or savings which are significant having regard to the budget for the service or function concerned (this is currently defined as £500,000) and it is likely to be significant in terms of its effect on communities living or working in an area comprising two or more electoral areas in the County.

**3. Purpose**

3.1 To seek Cabinet approval to commence the commissioning work for the Bus Service Improvement Plan (BSIP) Programme, in terms of preparing tender specifications, terms of reference, and publishing tender contracts to procure relevant goods and services, using existing Frameworks and the Council's tendering processes. This preparatory work is required to enable the BSIP work to begin immediately once funding is confirmed by the Department for Transport (DfT).

3.2 To grant the Executive Director – Place, in consultation with the Cabinet Member – Highways, Assets and Transport, delegated powers to agree

the award of BSIP contracts via existing internal and external Frameworks or by other relevant tender processes in line with the Council's Financial Regulations, to the most cost effective and competent organisations or individuals.

#### **4. Information and Analysis**

- 4.1 On 28 July 2022, Cabinet agreed to delegate the acceptance of the final BSIP award from the DfT to the Executive Director – Place and the Cabinet Member - Highways, Assets and Transport (Minute No. 142/22 refers). The exact level of grant funding is still not known. Although an indicative award of £47m was announced on 4 April 2022, the Council has yet to receive confirmation of the final settlement.
- 4.2 The DfT has confirmed that the funding period will run from 2022-23 for three years, rather than the previously expected five years. Due to the delays in the allocation the first year of delivery will only be a part year, i.e. less than six months, with an anticipated start date of October 2022.
- 4.3 The programme of BSIP work incorporates a wide range of ambitious projects ranging from the application of bus priority measures for late running buses at all traffic signalled junctions in Derbyshire, renewal of branding and marketing, through to fare support for young people and for other specific groups, such as jobseekers. The BSIP also includes for an important project to introduce Transport Hubs to a wide range of locations to improve connectivity and accessibility for residents, businesses, and visitors to Derbyshire.
- 4.4 The Council, using some DfT preparatory funding, has established a small BSIP Delivery Team. That team, reporting through normal Council governance channels, as well as to the Enhanced Partnership Board, is preparing tender specifications and terms of reference for the delivery of the various multidisciplinary work packages. This preparation work is deemed to be critical as:
- The DfT will require work to commence quickly when the funding is confirmed. As there is a significant lead time to some work packages, preparatory work such as tender specifications and publication is necessary to avoid time loss associated with mobilisation.
  - There is an acute national shortage of competent and experienced specialist labour resources to deliver the majority of the work required in BSIP. This will be greatly compounded when BSIP funding is announced nationally, as approximately 25 Local Transport Authorities (LTAs) are likely to be competing to secure the best and most skilled specialist staff. Seeking tenders at this time in

anticipation of the funding award, will provide the maximum chance of engaging the best resources at the most cost-efficient rates.

- 4.5 Accordingly, no contracts will be procured or awarded until BSIP funding is confirmed and accepted under delegated authority.
- 4.6 Procurement and Legal officers have confirmed that there are established Framework contracts in place for most areas of the specialist work required to enable the Council to contract with appropriate individuals and contractors for the various BSIP work packages. It may, for more specialist packages of work, be necessary to seek tenders from external suppliers where the Council does not have access to an existing contract or Framework. These will be procured in line with the Council's Procurement Regulations.

## **5. Consultation**

- 5.1 The development of the BSIP has included extensive Partnership working, key stakeholder involvement, as well as public consultation as part of the statutory requirement associated with the formation of the Enhanced Partnership (EP). Some of the work packages may involve public consultation about local services and advice will be sought from relevant officers to expedite this.
- 5.2 The EP Board will be consulted about the commissioning arrangements associated with the various work packages at their regular meetings.

## **6. Alternative Options Considered**

- 6.1 Wait to commence preparatory procurement work upon the formal funding award by the DfT. This would have the benefits of certainty about how much capital and revenue would be available for the delivery of specific work packages. However, a major disadvantage of this approach is that many LTAs will be seeking to engage specialist help at the same time, and, as approximately three month's mobilisation time is required, the programme of delivery would be compressed and benefits to buses and their passengers potentially delayed. This option is not considered workable if the DfT's timescale of work is to be met.
- 6.2 Tenders invited for a complete "turnkey" package of work for the entirety of BSIP. This would ease the delivery process considerably but would necessitate an extended tender process to seek the engagement of specialists that would need to cover an extremely wide range of projects. It is not likely that any single consultancy or contractor would have this capability and thus, the quality of some work would be degraded or delayed. As such, this is not considered a feasible option.

## **7. Implications**

- 7.1 Appendix 1 sets out the relevant implications considered in the preparation of the report.

## **8. Background Papers**

- 8.1 Cabinet Report - Impact of the National Bus Strategy on the Future Development of Bus Services in Derbyshire, dated 17 June 2021 (Minute No. 99/21 refers).
- 8.2 Cabinet Report - Enhanced Partnership Arrangements for Bus Services in Derbyshire and the Bus Service Improvement Plan, dated 14 October 2021 (Minute No. 158/21 refers).
- 8.3 Cabinet Report – Approval of Delegated Powers to Agree Bespoke Variations to the Enhanced Partnership for Bus Services in Derbyshire, dated 28 July 2022 (Minute No. 142/22 refers).
- 8.4 The Enhanced Partnership Plan and Scheme can be viewed on the following links:
- [Derbyshire EPP 29.03.22 - final.pdf \(derbysbus.info\)](#)
  - [Derbyshire EPS 29.03.22 - final.pdf \(derbysbus.info\)](#)

## **9. Appendices**

- 9.1 Appendix 1 – Implications.

## **10. Recommendations**

That Cabinet:

- a) Gives approval to commence the commissioning work for the Bus Service Improvement Plan (BSIP) Programme, in terms of preparing tender specifications, terms of reference, and publishing tender contracts to procure relevant goods and services, using existing Frameworks and the Council's tendering processes.
- b) Grants the Executive Director – Place, in consultation with the Cabinet Member – Highways, Assets and Transport, delegated powers to agree the award of BSIP contracts via existing internal and external Frameworks or by other relevant tender processes in line with the Council's Financial Regulations, to the most cost effective and competent organisations or individuals.

## **11. Reasons for Recommendations**

- 1.1 To allow the Council to secure the services of specialist contractors prior to other LTAs.
- 11.2 The commencement of the BSIP delivery work will identify where BSIP funding may need to be used to backfill existing Council resources should the Council's own specialist staff be engaged with BSIP directly.
- 11.3 Commencing BSIP preparatory work immediately will significantly increase the efficiency of BSIP delivery, and the time taken to implement measures that will benefit the operation of buses and the services afforded to passengers.
- 11.4 The rapid and effective delivery of the Council's BSIP work packages will mean that Derbyshire will be viewed favourably should the DfT make future funding available in subsequent years, contingent upon the delivery of current proposals.

## **12. Is it necessary to waive the call in period?**

- 12.1 No.

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### Implications

#### Financial

- 1.1 The indicative £47m Department for Transport (DfT) funding is split into approximately £24m for revenue and £23m for capital, with each individual work package having its own estimated cost. It is expected that the DfT will issue extensive monitoring and reporting obligations on the Council in the final settlement agreement including the monitoring of Bus Service Improvement Plan (BSIP) expenditure for each work package.
- 1.2 The delivery of BSIP will not require any additional resources to be expended by the County Council as the BSIP funding is designed to be additional to existing work the Council already undertakes.
- 1.3 It is not permissible for the BSIP grant to be used for purposes other than those stated in the Council's BSIP proposals and formally agreed to by the DfT.

#### Legal

- 2.1 Section 63(1) of the Transport Act 1985 places a duty on Derbyshire County Council to secure the provision of '*such passenger transport services as the Council considers appropriate to meet any public transport requirement within Derbyshire which would not, in its view, be met, apart from any action taken by them for that purpose*'.
- 2.2 The Enhanced Partnership Plan and Scheme were prepared and "Made" in accordance with the legal requirement of The Transport Act 2000. It is not yet known what the formal terms and conditions for the implementation of BSIP will be, however the DfT will require the Council to comply with all terms and conditions when the final settlement award is confirmed.
- 2.3 The procurement exercises and contract awards associated with the diverse BSIP work packages will be delivered in accordance with Council's Financial Regulations and the Public Contracts Regulations 2015.

#### Human Resources

- 3.1 The work necessary to prepare the delivery of the BSIP is currently being undertaken by existing resources, plus a small BSIP Delivery Team, financed by a grant from the DfT for this purpose.

- 3.2 BSIP funding will be used, in part, to engage specialists from external sources to deliver specific work packages. Whenever possible, the Council's own experts will be involved or oversee the delivery of BSIP.
- 3.3 It is planned to recruit a small number of fixed term contract members of staff to provide continuity for the successful delivery of BSIP. The budget for this resource will be met from the BSIP funding. Any new posts will be created and appointed to in line with the Council's job evaluation framework and recruitment policies.

### **Information Technology**

- 4.1 None.

### **Equalities Impact**

- 5.1 Bus services are particularly important to a range of disadvantaged groups such as young people, older people, women and those from economically deprived communities, all of which make a higher proportion of their journeys by bus than the population as a whole. The introduction of the measures associated with the BSIP will protect and where funding allows enhance the quality of bus services available and will contribute towards the wider levelling up agenda across all communities and ambitions for driving 'good growth'. Particularly, it will improve the opportunity for these people, residents and visitors, to access a variety of key opportunities such as education, employment and health care provision.

### **Corporate objectives and priorities for change**

- 6.1 This proposal will help deliver the following Council Plan priorities: Resilient, Healthy and Safe Communities; High Performing, Value for Money and Resident-Focused Services; A Prosperous and Green Derbyshire. Specifically, creation of an Enhanced Partnership will also enable the delivery of Place Directorate priorities around sustainable transport and travel.
- 6.2 The main aim of the BSIP is to generate additional use of bus services and in turn encourage modal shift away from the private car. If this happens it will have a positive impact on the Council's wider environmental sustainability objectives and support the targets set in the Climate Change Strategy: Achieving Net Zero.

### **Other (for example, Health and Safety, Environmental Sustainability, Property and Asset Management, Risk Management and Safeguarding)**

- 7.1 N/A.