

FAREHAM

BOROUGH COUNCIL

Report to Streetscene Policy Development and Review Panel

Date 05 March 2015

Report of: Director of Environmental Services

Subject: BUS SHELTER MAINTENANCE CONTRACT RENEWAL

SUMMARY

The purpose of this report is to advise Members on the current proposals for the renewal of bus shelters maintenance contract across the borough.

RECOMMENDATION

That Members note the contents of the report.

INTRODUCTION

1. At the current time, there are 161 bus shelters across the borough of Fareham. They are mainly located along the main arterial routes across the borough.
2. The shelters are located at various stops to provide protection from the elements for users of the bus service predominately provided by First Bus, but other bus operators do pass by.

CURRENT MAINTENANCE CONTRACT

3. On 27 March 2001, a contract was awarded to Primesight Ltd to maintain the bus shelters in Fareham. The contract is for a period of 15 years ending in 26 March 2016.
4. Primesight agreed to operate bus shelters in the borough based upon exclusive advertising rights on 47 shelters in return for undertaking maintenance of the remaining 120 bus shelters that were present at the time. The contract also allowed for an additional twenty bus shelters over the lifespan of the contract.
5. The table below highlights the breakdown of the current numbers and it can be seen that the numbers of bus shelters has increased by forty one since the start of the contract so is in excess of what was originally agreed.

| | Original contract Nos. | Extra shelters allowed for | Further shelters. | Total |
|-------------------|-------------------------------|-----------------------------------|--------------------------|--------------|
| Primesight | 47 | - | 2 | 49 |
| FBC | 73 | 20 | 19 | 112 |
| Total | 120 | 20 | 21 | 161 |

6. The 49 bus shelters erected and operated by Primesight, including all the advertisement panels and signs are the property of Primesight with the remaining shelters being in the Council's ownership. It is possible, that Primesight could remove all of the advertising shelters that they originally installed, at the end of the contract period.

SOFT MARKET TESTING

7. Before Officers commence with producing the final tender documents, it has been decided that the Council will do a soft market testing exercise. This will be achieved by placing a Prior Information Notice (PIN) on the South East Business Portal during March. This will allow interested companies to make contact with the Council with a view to attending some informal meetings during April.
8. These discussions will hopefully help inform officers how best to structure a tender in order to achieve an acceptable advertising and maintenance regime for all concerned.

RETENDERING TIMETABLE

9. The table below provides an outline of the procurement timetable.

| Task | Date |
|--|---------------------|
| Soft market testing exercise – advert on SE Business Portal | March 2015 |
| Interviews with interested companies | April 2015 |
| Review specification based on feedback from interested companies | May – June 2015 |
| Advertise in OJEU – invite expression of interest | July 2015 |
| Determine short list | August 2015 |
| Invite to tender | 1 Sept 2015 |
| Return of tender | 30 Sept 2015 |
| Tender evaluation | 1 Oct – 30 Nov 2015 |
| Prepare Committee reports | Dec 2015 |
| Committee meeting – award of tender | Jan 2016 |
| Contract start | April 2016 |

CONSIDERATIONS FOR NEW CONTRACT

10. The following issues will need to be considered as part of the planning phase of the new tender:

- (a) Length of contract. Is the current 15 year too long?
- (b) Should the contract be separated between advertising shelters and FBC shelters? Is there any benefit?
- (c) The quality of maintenance required needs to be reviewed and improved.
- (d) Is there potential for income generation?
- (e) Is there potential to include for a refurbishment programme over the life of the contract?
- (f) Investigation of opportunities to work with local neighbouring authorities

11. Officers welcome any discussions Members may wish to have with regard to any individual areas of concern in relation to the maintenance of bus shelters, which could then be considered for inclusion into any new specification.

BUDGETS

12. The current maintenance contract is self-financing in as much as the maintenance is undertaken in return for advertising rights. No exchange of payment is made.

13. However, there is a very limited annual revenue budget available for bus shelters, due to the fact that the Primesight contract includes for much of the maintenance and repair obligations.

| | |
|--------------------|----------------|
| Budget | 2104/15 |
| Employees related | £1,700 |
| Premises related | £7,000 |
| Internal recharges | £40 |
| Total | £9,100 |

14. There is currently no refurbishment programme and at the current time annual revenue budgets are being used to refurbishing existing shelters rather than purchase new shelters.

NEW BUS SHELTER OPPORTUNITIES

15. Although there are no immediate plans to install new bus shelters utilising the current revenue budget, there are opportunities for the installation of bus shelters through the implementation of other schemes such as:

- (a) The improvements to Newgate Lane have resulted in 6 new advertising bus shelters (that will be owned by FBC). The road scheme is due to be completed during May 2015 so the bus shelters will be available for bus users after this date.
- (b) The future extension of the Eclipse bus routes to Welborne will no doubt include replacement shelters already located on the existing routes through Fareham and new ones when Welborne has sufficient houses present.
- (c) It is hoped that the improvements surrounding the Railway Station roundabout and Gudgeheath Lane improvements will provide an opportunity for a new shelter near the entrance to the station.
- (d) The possibility of the Stubbington by pass may provide for a number of new shelters

16. These future shelters will have to be allowed for in any future bus shelter maintenance contract.

RISK ASSESSMENT

17. Consideration will need to be given to the following possible risks:

- (a) A new contractor not coming forward to take on the advertising and maintenance contract.
- (b) The potential for a new contract to result in a cost being incurred by the Council, whereas at the moment it doesn't.

CONCLUSION

18. At the current time, Primesight has the contract to manage and maintain the 161 bus shelters throughout the borough, which comes to an end in March 2016. Officers are currently working on the future contract requirements with a view to putting it out to tender in the autumn.

Background Papers:

Report to Streetscene Policy Development and Review Panel - 9 Jan 2014 – Bus Shelter Maintenance Contract.

Reference Papers:**Enquiries:**

For further information on this report please contact Sue Woodbridge. (Ext 4546)