
Report to Chief Officer (Highways and Transportation)

Date: 20 November 2018

Subject: Report to seek a waiver of CPR 8.1 and 8.2 to enter into a contract with BR Hallworth Ltd for configuration of bus priority systems without seeking competition

Are specific electoral Wards affected? If relevant, name(s) of Ward(s):	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Is the decision eligible for Call-In?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, Access to Information Procedure Rule number: Appendix number:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

Summary of main issues

1. The West Yorkshire active bus priority system (referred to variously as TLP or TSP) enables buses to send triggers from the ticket machines to the Leeds City Council traffic signal control systems when a bus reaches a pre-defined point on the approach to a junction. The triggers are then used to manipulate the signal timings so that the journey time for late running buses can be minimised.
2. The configuration and optimisation of bus priority triggers and the way that they are used within the various traffic control systems is essential to ensuring that the system operates effectively. Bus priority helps to improve the reliability of bus journey times and contributes to achieving the Best Council Plan Inclusive Growth commitment by providing benefit to public transport.
3. Configuration of the bus priority trigger points and the systems used to transfer the information is a specialist skill. There are several major investment programmes including A65 SCOOT, West Yorkshire Plus Transport Fund (WY+TF) and Leeds Public Transport Investment Programme (LPTIP) in progress that require considerable configuration of bus priority to achieve the immediate and long term objectives of doubling bus patronage.
4. There is also an aspiration to place Leeds at the forefront of connected and autonomous vehicle (CAV) technology development. Leeds is in a privileged

position in that it operates the previously developed SPRUCE system that is currently used to provide bus priority at junctions running fixed signal timings but it can also be used as a development environment for CAV technology projects. However, the SPRUCE system also requires specialist support to realise its potential.

5. Continued use of BR Hallworth Ltd will enable the bus priority configuration and CAV technology development to be delivered in an effective and timely manner and provides the best value for money for the Council whilst enabling it to meet the Best Council Plan 21st-Century Infrastructure commitment.

Recommendations

The Chief Officer (Highways and Transportation) is requested to:

- i) Waive Contract Procedure Rule 8.1 and 8.2 – Intermediate Value Procurements – and approve entering into contract with BR Hallworth Ltd on an annual basis until 31st March 2021 (up to an expected maximum value of £50,000) without seeking competition.

1. Purpose of this report

- 1.1 This report sets out the reasons for recommending that the Chief Officer (Highways and Transportation) approves the waiver of Contract Procedure Rule 8.1 and 8.2 to enter into a contract with BR Hallworth Ltd until 31st March 2021 without seeking competition.

2 Background information

- 2.2 Active bus priority is achieved by the Leeds City Council (LCC) Urban Traffic Control (UTC) team configuring route specific bus trigger locations that are then sent to bus operators to load onto bus ticket machines whilst vehicles are in the depot. The ticket machine then sends out a trigger to the bus operator using a mobile 3G/4G connection when the bus enters the configured 'virtual' detection zones. The bus priority triggers are 'forwarded' by the bus operators to the LCC UTC system where each request is processed and the degree of priority assigned to the bus.
- 2.3 The bus priority system enables buses to be given different levels of priority depending on whether or not they are late and to what extent they are late. Methods of priority vary from green extensions (if the bus arrives at a green signal) to truncating the opposing greens (if the bus arrives at a red signal).
- 2.4 Bus priority is an important tool for achieving reliable bus journey times and is critical to the success of the LPTIP and in achieving the Leeds Transport Strategy aim of doubling bus patronage by 2026.
- 2.5 In addition, Leeds City Council is currently involved in an Innovate UK funded competition (Roads for the Future) that involves testing new methods of vehicle detection to improve the efficiency of traffic signal control and to reduce vehicle emissions. This is part of a medium to long term aspiration to be at the forefront of CAV technology development.

- 2.6** Active bus priority and the CAV technology developments both make use of the SPRUCE traffic signal control development environment. SPRUCE is currently used by LCC, Sheffield City Council and City of Edinburgh Council and enables bespoke traffic signal control strategies to be developed that would not normally be possible through standard UTC systems.

3 Main Issues

3.1 Reasons for Contracts Procedure Rules Waiver

- 3.1.1 Each step of bus priority configuration currently involves a manual process to overcome various system shortcomings. In the medium term there is an aspiration to replace the bespoke systems and manual processes with automated systems that have an intuitive user interface. This will enable UTMC staff to undertake much of the configuration process. To achieve this, it is necessary to draw upon specialist industry expertise in the short term to help specify the new systems.
- 3.1.2 In addition to the medium term aspirations, there is also an immediate need to configure bus priority at a large number of junctions as part of the A65 SCOOT, WY+TF and LPTIP projects. There are also additional bus operators becoming involved in bus priority which requires additional support to integrate their data feeds into the UTC systems.
- 3.1.3 The Roads for the Future Innovate UK competition is an example of the aspiration of LCC to be at the forefront of technology development in CAVs. The rapid rate of CAV development requires the capability to develop innovative and adaptable proof of concepts. The SPRUCE system is currently used solely for providing bus priority at traffic signal installation with fixed signal timings. However, it is actually a development environment that is capable of providing a testbed for CAV developments. There are very few Local Authorities with this capability but as a consequence of its exclusivity, the system requires specialist support.
- 3.1.4 BR Hallworth Ltd, has been a specialist support provider for bus priority systems across Yorkshire and in Edinburgh for a number of years. The specialist support has been critical to the successful operation of bus priority in Leeds and Sheffield. In the medium to long term, LCC is committed to developing the necessary skills to undertake a large proportion of the specialist tasks internally but will continue to require specialist support on an ad-hoc basis until that time.

3.2 Consequence if the proposed action is not approved

- 3.2.1 If LCC were not to draw upon the support services of BR Hallworth Ltd, the Council would not have the ability to configure new bus priority triggers. As a consequence, the benefit of the significant investment programmes will not be fully realised. Furthermore, the aspirations of LCC to be at the forefront of CAV development will become more difficult to achieve.

4 Corporate Considerations

4.1 Consultation and Engagement

- 4.1.1 Engagement with Sheffield City Council has been undertaken to identify best use of resource and to share best practise.
- 4.1.2 Bus operators that use the active priority system (First in Leeds) value its use. Arriva and Transdev have both recently stated an intention to invest in bus trigger capable ticket machines. Discussions are currently underway with Transdev with regard to configuring their systems to enable their buses to receive priority.
- 4.1.3 Highways and Transportation officers have been consulted.

4.1.4 Equality and Diversity/Cohesion and Integration

- 4.1.1 The proposals have an impact on equality characteristics and, as such, an equality, diversity, cohesion and integration screening has been undertaken (see Appendix A).

4.2 Council policies and City Priorities

- 4.3 The use of BR Hallworth Ltd to provide specialist support is an important aspect of the LPTIP delivery. LPTIP supports the inclusive growth commitment. CAV technology development supports the Council's 21st-Century infrastructure commitment by contributing to improving air quality, improving the city's infrastructure and improving transport safety and reliability.

4.4 Resources and value for money

- 4.4.1 Specialist support from BR Hallworth Ltd until 31st March 2021 is not expected to exceed £50,000.
- 4.4.2 Funding will be provided initially from the A65 SCOOT project with later work contributed to by the WY+TF and LPTIP projects.
- 4.4.3 Best value for money will be obtained by sharing best practise with other Local Authorities that operate the specialist systems such as Sheffield City Council.
- 4.4.4 A market sounding exercise (MSE) has been undertaken to provide assurance of the sole supplier status of BR Hallworth Ltd. It is considered that a competitive tender would not provide any greater value for money given the very limited availability of the necessary skills (underlined by the MSE results). The MSE was advertised on YORTender from 16th August 2018 to 14th September 2018.
- 4.4.5 The Market Sounding Exercise (MSE) specifically focused on the provision of support services to configure strategies in the existing SPRUCE traffic signal control development environment. Within that brief, it is expected that any such support also provides the capability to configure and develop the back-office architecture of the UTM system including handling of RTIG bus priority

messages. This is a key element of the support role as it forms the core of the bus priority system.

- 4.4.6 Central procurement were consulted in the evaluation of MSE returns to ensure that the correct procedures were followed. In summary, **only BR Hallworth Ltd has provided responses that fulfil all the requirements set out in the MSE**. It is therefore considered that BR Hallworth Ltd is, in effect, the sole supplier of the required specialist support service.

4.5 Legal Implications, Access to Information and Call In

- 4.5.1 This decision is a significant operational decision and is not subject to call-in but will be published by the Council. The report does not contain any exemptions or confidential information under the Access to Information Rules.
- 4.5.2 In approving this waiver without subjecting the contract to competition, there is a risk of challenge to the Council from other potential providers that it has not been wholly transparent and that they may have been unfairly denied the chance to tender for this opportunity. In terms of transparency it should be noted that European case law suggests that contracts of this value should be subject to a degree of advertising if it is considered that it would be of interest to contractors operating in another Member State. It is up to the Council to decide what degree of advertising is appropriate. In particular, consideration should be given to the subject-matter of the contract, its estimated value, the specifics of the sector concerned (size and structure of the market, commercial practices, etc) and the geographical location of the place of performance.
- 4.5.3 The EU case law has been considered in this and, due to the nature of the product, with BR Hallworth Ltd providing the specialist support for systems bespoke to LCC there is no viable alternative currently available. It is considered that the scope and nature of the services are such that it would not be of interest to contractors in other EU member states.
- 4.5.4 There is a risk of an ombudsman investigation arising from a complaint that the Council has not followed reasonable procedures, resulting in a loss of opportunity. Obviously, the complainant would have to establish maladministration. It is not considered that such an investigation would necessarily result in a finding of maladministration however such investigations are by their nature more subjective than legal proceedings.
- 4.5.5 Whilst making the decision, the Chief Officer (Highways and Transportation) should acknowledge the risks identified above.
- 4.5.6 Although there is no overriding legal obstacle preventing the waiver of CPR 8.1 and 8.2, the above comments should be noted. In making their final decision, the Chief Officer (Highways and Transportation) should be aware of the risk of challenge to the Council and be satisfied that on balance the course of action chosen represents Best Value for the Council.
- #### **4.6 Risk Management**
- 4.6.7 As identified in section 4.5 above, there is a risk to the Council in awarding a contract directly in this way. However, the Chief Officer (Highways and

Transportation) considers that the risks are outweighed by the benefits of awarding a contract and the resource/value for money implications of doing so.

- 4.6.8 It is considered that in terms of the risk of challenge to the procurement route of this contract, the Council has taken steps to mitigate this. The contract, given its value, falls outside any remit of the EU Procurement Regulation beyond the duty to act transparently, fairly and non-discriminatorily that applies to all contracts.
- 4.6.9 It is recognised that there is a risk, when using bespoke systems, that there is less resilience for maintaining and supporting the system. However, for bus priority, steps are being taken to develop new software that will decrease the reliance on specialist support.

5 Conclusions

- 5.1 The use of BR Hallworth Ltd to provide specialist support for active bus priority and CAV technology development will enable Leeds City Council to maximise the benefit of the various major investment programmes. In doing so, it supports the Best Council Plan priorities of 21st-Century Infrastructure and Inclusive Growth.

6 Recommendations

- 6.1 The Chief Officer (Highways and Transportation) is recommended to:
- i. The waiver of Contract Procedure Rule 8.1 and 8.2 – Intermediate Value Procurements – and to approve entering into contract with BR Hallworth Ltd on an annual basis until 31st March 2021 (up to an expected maximum value of £50,000) without seeking competition.

7 Background documents

- 7.1 None.

Equality, Diversity, Cohesion and Integration Screening

As a public authority we need to ensure that all our strategies, policies, service and functions, both current and proposed have given proper consideration to equality, diversity, cohesion and integration.

A **screening** process can help judge relevance and provides a record of both the **process** and **decision**. Screening should be a short, sharp exercise that determines relevance for all new and revised strategies, policies, services and functions.

Completed at the earliest opportunity it will help to determine:

- The relevance of proposals and decisions to equality, diversity, cohesion and integration.
- whether or not equality, diversity, cohesion and integration is being/has already been considered, and
- Whether or not it is necessary to carry out an impact assessment.

Directorate: City Development	Service area: UTMC, Highways and Transportation
Lead person: Joel Dodsworth	Contact number: 3788128

1. Title : Report to seek a waiver of CPR 8.1 and 8.2 to enter into a contract with BR Hallworth Ltd for configuration of bus priority systems without seeking competition.

Is this a:

☐

Strategy / Policy

☒

Service / Function

☐

Other

If other, please specify

2. Please provide a brief description of what you are screening

The screening process relates to the waiver of procurement rules to provide services from BR Hallworth Ltd.

3. Relevance to equality, diversity, cohesion and integration

All the council's strategies/policies, services/functions affect service users, employees or the wider community – city wide or more local. These will also have a greater/lesser relevance to equality, diversity, cohesion and integration.

The following questions will help you to identify how relevant your proposals are.

When considering these questions think about age, carers, disability, gender reassignment, race, religion or belief, sex, sexual orientation and any other relevant characteristics (for example socio-economic status, social class, income, unemployment, residential location or family background and education or skills levels).

Questions	Yes	No
Is there an existing or likely differential impact for the different equality characteristics?	X	
Have there been or likely to be any public concerns about the policy or proposal?		X
Could the proposal affect how our services, commissioning or procurement activities are organised, provided, located and by whom?		X
Could the proposal affect our workforce or employment practices?		X
Does the proposal involve or will it have an impact on <ul style="list-style-type: none"> Eliminating unlawful discrimination, victimisation and harassment Advancing equality of opportunity Fostering good relations 		X

If you have answered **no** to the questions above please complete **sections 6 and 7**

If you have answered **yes** to any of the above and;

- Believe you have already considered the impact on equality, diversity; cohesion and integration within your proposal please go to **section 4**.
- Are not already considering the impact on equality, diversity, cohesion and integration within your proposal please go to **section 5**.

4. Considering the impact on equality, diversity, cohesion and integration

If you can demonstrate you have considered how your proposals impact on equality, diversity, cohesion and integration you have carried out an impact assessment.

Please provide specific details for all three areas below (use the prompts for guidance).

- How have you considered equality, diversity, cohesion and integration?** (think about the scope of the proposal, who is likely to be affected, equality related information, gaps in information and plans to address, consultation and engagement activities (taken place or planned) with those likely to be affected)

The provision of bus priority at new locations will help to reduce bus journey times and make them more reliable. This will have a positive impact on bus users.

- Key findings** (think about any potential positive and negative impact on different equality characteristics, potential to promote strong and positive relationships between groups,

potential to bring groups/communities into increased contact with each other, perception that the proposal could benefit one group at the expense of another)

The provision of a more reliable bus service will help to encourage modal shift. Increased modal shift will attract investment in bus services which will have a positive impact on citizens who rely on public transport.

- **Actions**

(think about how you will promote positive impact and remove/ reduce negative impact)

The positive impact will be promoted by ensuring bus priority is configured correctly. Any negative impacts to general traffic will be minimised by ensuring that the system is optimised.

5. If you are *not* already considering the impact on equality, diversity, cohesion and integration you *will need to carry out an impact assessment*.

Date to scope and plan your impact assessment:	
Date to complete your impact assessment	
Lead person for your impact assessment (Include name and job title)	

6. Governance, ownership and approval

Please state here who has approved the actions and outcomes of the screening

Name	Job title	Date
Joel Dodsworth	UTMC Manager	02/10/2018

7. Publishing

This screening document will act as evidence that due regard to equality and diversity has been given. If you are not carrying out an independent impact assessment the screening document will need to be published.

Please send a copy to the Equality Team for publishing

Date screening completed	02/10/2018
Date sent to Equality Team	
Date published (To be completed by the Equality Team)	