

Report of: Business Manager, Resources & Housing

Report to: Chief Officer, Civic Enterprise Leeds

Date: 6th December 2019

Subject: Contract Award – DN418739 - ITS200630: Procurement of a Passenger Transport Solution.

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: 10.4 (3)	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No

Summary of main issues

The Chief Officer, Civic Enterprise Leeds approved the commencement of a procurement exercise for a Passenger Transport Solution on 30th July 2019.

Following a procurement exercise run in accordance with both the Council's Contracts Procedure Rules and the EU Public Contract Regulations, this report seeks approval to award a contract for the Procurement of a Passenger Transport Solution to 365 Response Ltd for a period of five (5) years with options to extend for a further five (5) x twelve (12) months.

The contract is for the Procurement of a Passenger Transport Solution for use by Leeds City Council.

The requirement is being tendered in the context of significant financial savings that are required in light of continuing reduced funding from central government. The procurement of a replacement Passenger Transport Solution will enable the Council to modernise the delivery of statutory transport services which, in turn, will better equip them to meet the increasing demand on the service and the associated cost pressures. This procurement will help sustain the provision of Passenger Transport services whilst enabling service transformation and possible growth over the coming years.

It is expected that the procurement of this new Passenger Transport Solution will enable the Council to modernise the delivery of statutory transport services, meeting expectations of those that use the service.

The service will be better able to support the Council's Children & Families and Adults & Health teams that rely on the service. It will allow greater influence and access to the service by approved partners such as schools, hospital trusts, ambulance services or community transport operators enabling the sharing of resources across the City to meet the demands of many.

The new Passenger Transport Solution will allow self-serve functionality for the service users and their families, putting the passenger at the heart of the operation and enabling quicker, more accurate and efficient access to live information about the service provided. It will provide a modern specialized transport service for communities in Leeds.

Appointing a Contractor who can meet the Council's requirements and provide a high quality solution at 'best value' is fundamental to Leeds City Council meeting its strategic objectives in relation to passenger transport provisions.

The following Software and Services will be provided under the contract:

- Cloud Hosted Passenger Transport Solution
- Add-on modules/functionality to enhance the core System
- Implementation services
- Installation services
- Configuration services
- Integration services
- On-going support and maintenance services
- System development and customisation
- Training
- Software/system upgrades.

Recommendations

In line with Contract Procedure Rule (CPR) 18, the Chief Officer, Civic Enterprise Leeds is requested to approve the award of a contract to 365 Response Ltd for the Procurement of a Passenger Transport Solution for the period 9th December 2019 to 8th December 2024 with a further five (5) x twelve (12) months options to extend.

1 Purpose of this report

- 1.1 Following the evaluation of tenders received for the Procurement of a Passenger Transport Solution, this report seeks approval to award a contract to 365 Response Ltd, Unit 6, Benton Office Park, Benton Avenue, Horbury, WF4 5RA.

2 Background information

- 2.1 Leeds City Council (the Council) is seeking to award a contract to a single Contractor for the provision of a “Cloud Hosted” Passenger Transport Solution and associated support services.
- 2.2 The requirements for a Passenger Transport Solution and associated support services which will be procured shall include functionality for Back Office System Management, Planning and Scheduling, Contract Management, Ordering, Finance, Mobile Application, Reporting and Passenger Transport Support (including Customer Self-Service).
- 2.3 The successful Contractor will be required to support the implementation of the new Passenger Transport Solution, manage the seamless transfer of data from the Council’s existing system and deliver a range of ongoing support services.
- 2.4 Appointing a Contractor who can best meet the tendered requirements and can offer a “best value for money” solution will be fundamental to the Council meeting its strategic objectives and outcomes.
- 2.5 The contract to be awarded to 365 Response Ltd is for the provision of a cloud based Passenger Transport Solution which has the appropriate levels of functionality and support services to meet the Council’s requirements.
- 2.6 The following Software and Services, as a minimum, shall be provided under this contract:
- Cloud Hosted Passenger Transport Solution
 - Add-on modules/functionality to enhance the core System
 - Implementation services
 - Installation services
 - Configuration services
 - Integration services
 - On-going support and maintenance services
 - System development and customisation
 - Training
 - Software/system upgrades.
- 2.7 The duration of the contract awarded to 365 Response Ltd is five (5) years with options to extend for a further five (5) x twelve (12) month periods.
- 2.8 The estimated value of the initial contract will be £411,310.00. Any extensions taken after the initial period will be at a cost of approx. £81,000.00 per year.
- 2.9 The evaluation panel comprised of:
- Peter Clifton – Compliance Officer, Civic Enterprise Leeds
Dylan Owen – Business Manager, Resources & Housing
Anil Parmar – Senior Business Partner, Resources & Housing
Adrian Scott – Transport Planner, Civic Enterprise Leeds
David Bishop – Information Governance Officer, Resources & Housing
Jane Hookham – Resources Planner, Civic Enterprise Leeds
John Graham – Driver/Escort, Civic Enterprise Leeds

Andrew Mackman – Resources Scheduler, Civic Enterprise Leeds
 Paula Jackson – Transport Co-ordinator, Civic Enterprise Leeds
 Richard Charnley – Solution Architect, Resources & Housing (NFR’s only)

2.10 The following tenderers submitted a response to the Council’s Invitation To Tender (ITT), which was conducted in accordance with both the Council’s Contracts Procedure Rules and the EU Public Contract Regulations. The ITT was published on the Yorkshire & Humberside procurement portal YORtender and advertised in the Official Journal of the European Union:

- 365 Response Ltd
- Data Images Software Solutions Ltd
- Trapeze Group (UK) Ltd

2.11 The tender from Data Images Software Solutions Ltd was evaluated, however a further detailed evaluation of their submission against the Council’s Non-Functional Requirements (technical requirements) found that they did not meet all of the Council’s mandatory requirements and was therefore disqualified.

3 Main Considerations and reasons for contract award

3.1 The tender received was evaluated on both quality and price.

3.2 The maximum amount of points available for quality was 600 and was subdivided with thresholds applied as follows:

Criteria	Section	Sub-criteria	Weighting
Pass/Fail	Method Statement 1: Non-Functional Requirements	Response to Method Statement question	Pass/Fail
Quality – 600 points total	Method Statement 2: Specification Part 2 Appendix 1 response (Essential Items)	<p>Ability to Deliver Essential Requirements of Specification Tenderers are asked to self-certify their scores using the below criteria:</p> <p>2 Indicates that the requirement is included as standard in the software, or not included as standard but can be added at no extra cost* 1 Indicates that the requirement is not included as standard but can be added at an additional cost. All additional costs should be clearly and individually listed within the Part 1 Appendix 2 Pricing Schedule at S2 (Software worksheet) using the appropriate Ref No. to identify it* 0 Indicates that the requirement is not included as standard and would require significant effort to add, or the software is not capable of meeting this requirement. This indicates that the product may not be suitable for our requirements.</p>	50 points

		<p>* [NB these elements must be incorporated into the system prior to Go-Live date]</p> <p>Tenderers must score either 2 or 1 for Essential items. Where the tenderer scores a 1, they must provide the additional cost information which will then be added to their overall cost and will be scored as part of the evaluation.</p> <p>The weighting will be calculated by the following formula: Total Points Achieved/Total Points Available (274 points) x Maximum Points Available (50 points)</p> <p>If tenderers score a 0 for any Essential requirements, the Council reserves the right to exclude the tenderers response from further evaluation on the grounds that it may not be suitable to meet our requirements.</p>	
	Method Statement 3: Specification Part 2 Appendix 1 response (Desirable Items)	Ability to Deliver Desirable Requirements of Specification. Tenderers are asked to self-certify their scores using the below criteria: 2 Indicates that the requirement is included as standard in the software, or not included as standard but can be added at no extra cost* 1 Indicates that the requirement is not included as standard but can be added at an additional cost. All additional costs should be clearly and individually listed within the Part 1 Appendix 2 Pricing Schedule at S2 (Software worksheet) using the appropriate Ref No. to identify it* 0 Indicates that the requirement is not included as standard and would require significant effort to add, or the software is not capable of meeting this requirement. * [NB these elements should be incorporated into the system prior to Go-Live date] The weighting will be calculated by the following formula: Total Points Achieved/Total Points Available (52 points) x Maximum Points Available (25 points)	25 points
	Method Statement 4 to 22	Responses to Method Statement question	525 points total
	Method Statement 23 to 26	Responses to Method Statement questions	Pass/Fail
	Method Statement 27	Responses to Method Statement questions	For Information only

Total	600 points
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The scoring for the overall evaluation of the Quality section is as follows:

Method Statement	Assessment Method	Maximum Points Available	Minimum Score Threshold	Maximum Word Count/Page Limit
Question 1	Pass/Fail	n/a	Pass	n/a
Question 2	Scored	50	n/a	n/a
Question 3	Scored	25	n/a	n/a
Question 4	Scored	40	20	1500
Question 5	Scored	25	12.5	500
Question 6	Scored	30	15	1000
Question 7	Scored	30	15	500
Question 8	Scored	30	15	1000
Question 9	Scored	30	15	1000
Question 10	Scored	30	15	500
Question 11	Scored	30	15	500
Question 12	Scored	30	15	1000
Question 13	Scored	30	15	500
Question 14	Scored	30	15	500
Question 15	Scored	30	15	500
Question 16	Scored	30	15	500
Question 17	Scored	20	10	500
Question 18	Scored	30	15	500
Question 19	Scored	30	15	500
Question 20	Scored	20	10	500

Method Statement	Assessment Method	Maximum Points Available	Minimum Score Threshold	Maximum Word Count/Page Limit
Question 21	Scored	10	5	500
Question 22	Scored	20	10	500
Question 23	Pass/Fail	n/a	n/a	Pass
Question 24	Pass/Fail	n/a	n/a	Pass
Question 25	Pass/Fail	n/a	n/a	Pass
Question 26	Pass/Fail	n/a	n/a	Pass
Question 27	For Information	n/a	n/a	1000

3.3 The points available for each method statement were related to how important that method statement was to the overall delivery of the contract.

3.4 The maximum amount of points available for price was 400.

3.5 For this tender, the price calculation was based on the tenderer with the lowest total price achieving the highest score available for price and the other tenders a reduced score based on calculating the percentage difference between them and the lowest price and deducting this percentage from the maximum score available.

3.6 The Council has chosen not to divide this procurement into lots. We are seeking to appoint a single Contractor who can offer the full Passenger Transport Solution and associated support services. Separate lots were considered but the conclusion was that the scope of requirements and inter-dependency of services and processes involved make it impractical and uneconomical. It would, therefore, not be appropriate to divide these requirements into lots.

3.7 The list of tenderers together with the overall price and quality scores for all tenderers can be found in Confidential Appendix 1.

4 Corporate considerations

4.1 Consultation and engagement

4.1.1 Consultation with key stakeholders was undertaken when the particular procurement route was chosen including:

- Chief Officer, Civic Enterprise Leeds
- Finance Performance Group (FPG)

- ICT Strategic Sourcing Manager
- Members of Civic Enterprise Leeds team

No consultation has taken place with key stakeholders as to whether the contract should be awarded to the winning bidder or not as this is determined by the evaluation of the tenders received.

4.2 Equality and diversity / cohesion and integration

4.2.1 An impact and equality assessment was undertaken before undertaking the procurement exercise and it was found that there were no issues relevant to Equality and Diversity/ Cohesion and Integration with this decision.

4.3 Council policies and best Council plan

The procurement of a new Passenger Transport Solution will ensure that the Council continues to work within its core values of:

- Working as a team for Leeds
- Treating people fairly
- Working with communities
- Spending money wisely
- Being open, honest and trusted

Climate Emergency

The procurement of this Cloud Based Passenger Transport Solution will enable efficient use of resources through effective planning and management of routes, combined with automated communication that will help the service get things right first time.

As a requirement of the tender, the successful Contractor also advised that their Passenger Transport Solution is run on energy efficient Cloud Based Servers that are reliant on 100% green technology to provide the electricity that powers them.

4.4 Resources and value for money

4.4.1 A full procurement process has been undertaken in order to ensure that the Council obtains best value for money.

4.4.2 The price submitted by 365 Response Ltd fully delivers the Council's requirements and is considered to represent value for money.

4.5 Legal Implications, access to information and call In

4.5.1 In line with the Council's constitution the Chief Officer, Civic Enterprise Leeds is authorised to make the decision to award this contract to 365 Response Ltd.

4.5.2 The information contained in Confidential Appendix 1 is considered confidential as this includes a detailed breakdown of tenderers scores and prices.

- 4.5.3 The Chief Officer, Civic Enterprise Leeds approved a decision on 30th July 2019 to enable this requirement to be tendered which was an Admin Decision and not subject to call-in. For transparency purposes, the decision to award a contract at this value is a Significant Operational Decision and is not subject to call in.
- 4.5.4 The procurement followed the Open Procedure of the EU Public Contract Regulations 2015 and a notice was advertised in the Official Journal of the European Union.
- 4.5.5 In addition, the procurement was advertised on the Council's tendering website, YORtender.co.uk and the Government Contracts Finder website.
- 4.5.6 In accordance with the Public Contract Regulations 2015, a standstill period will be observed before awarding the contract.

4.6 Risk management

- 4.6.1 Any risks associated with the award of the contract will be managed by an appointed contract manager who will implement a Contract Management Plan.

5 Conclusions

- 5.1 The successful tenderer has demonstrated its ability to fully meet the Council's requirements and represents value for money.

6 Recommendations

- 6.1 In line with Contract Procedure Rule (CPR) 18, the Chief Officer, Civic Enterprise Leeds is recommended to approve the award of a contract to 365 Response Ltd for the Procurement of a Passenger Transport Solution for a period of five (5) years with options to extend by a further five (5) x twelve (12) month periods.

7 Background documents¹

- 7.1 None.

¹ The background documents listed in this section are available to download from the Council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.