

Report of the Group Operations Manager, LPTIP

Report to the Chief Officer, Highways & Transportation

Date: 19 May 2020

Subject: Waiver of Contract Procedure Rules (CPR's) 8.1 and 8.2 to award a contract for the Services of a Specialist External Contractor to Help Deliver the LPTIP programme

Capital Scheme Number : 32673 / 000 / 000

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|--|---|
| Are specific electoral wards affected? If yes, name(s) of ward(s): City Wide | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |
| Has consultation been carried out? | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |
| Are there implications for equality and diversity and cohesion and integration? | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| Will the decision be open 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

1. Main issues

- The previous contract is with Thompson Brand Partners which expired on the 31st March 2020. This report is to recommend that a new contract is entered into under the same terms and conditions of the previous contract pending identification of an internal resource for graphic design, until such a time LCC can recruit to the post of Graphic Designer.
- Currently Thompson Brand Partners are supporting communications for a number of schemes under the LPTIP programme

Projects progressed with LPTIP funding include:

- Bus priority corridors
- Creation and improvement of the City Centre 'Gateways';
- Expansion of existing bus and rail park & ride sites and creation of new sites;

- Improvements to rail stations accessibility and creation of new stations;
- Complementary investment in bus services and low emission vehicles.
- The extension will give LPTIP the ability to continue progressing the schemes that must be delivered within strict timescales.
- If the timescales are stretched there will be a serious risk of funding being withdrawn by the Department of Transport

2. Best Council Plan Implications (see the latest version of the Best Council Plan)

The anticipated benefits is to create improvements to the Leeds transport network which has the potential to contribute to our vision for Leeds to be the best city in the UK and the following Best Council Plan 2019/20 to 2020/21 priorities:

- Inclusive growth (Supporting growth and investment, helping everyone benefit from the economy to their full potential)
- Sustainable infrastructure (Improving transport connections, safety, reliability and affordability; Improving air quality, reducing pollution and noise)
- Child-friendly city (Enhancing the city now and for future generations)

3. Resource Implications

- Department for Transport (DfT) funding agreement letter 21/04/17 £173.5m on the assumption £9.8m - £10.6m contributions LCC&WYCA. Investment decisions to be made locally through WYCA assurance framework. This contract will be paid for through this funding arrangement.
- Should the new contract with Thompson Brand not be approved there is a risk of schemes within the Programme being delayed. The LPTIP programme is subject to strict timescales for completion as laid out by the DfT for the funding stream.
- If delays are forecast beyond the DfT cut off point, funding to LCC will potentially be lost, resulting in significant loss of investment for the City of Leeds

Recommendations

- a) The Chief Officer Highways and Transportation is recommended to waive Contract Procedure Rules 8.1 and 8.2 using the authority set out in CPR 1.3 to enter into a contract with Thompson Brand Partners for a period of 6 months. The contract value will not exceed £60,000.
- b) The contract shall commence on 15th May 2020 and expire on 22nd November 2020. There will be an option to extend for a further 2 month period.

1. Purpose of this report

This report seeks a waiver of CPRs 8.1 and 8.2 using the authority set out in CPR 1.3 in order to enter into a contract with a specialist external contractor, Thompson Brand Partners to facilitate essential graphic design work with the contract value not exceeding £60,000. This amount is calculated taking into account their schedule of

rates and the timescales their 22nd November 2020 or until an LCC graphic design resource can be allocated. A 2 month extension period will be included within the contract to also account for the unknown risks of Covid-19 crisis on resources..

2. Background information

2.1 The LPTIP schemes are an important part of moving the City towards our Connecting Leeds Vision which looks to create:

a world-class connected city, that allows seamless end to end public transport journeys internationally, nationally, regionally and locally; an ambitious city, that attracts and plans for inclusive growth; a smart city that embraces innovative technology to efficiently use, manage and maintain the transport network; a people-focused city, with well-connected neighbourhoods and a city centre that's easily accessible for everyone; and
A healthy city, that allows more people to walk, cycle and be more active, with reduced traffic and emissions to create cleaner air

2.2 Connecting Leeds had a dedicated graphic designer, who left the post on the 23rd January 2020. With the post vacant a recruitment exercise began and as a stop gap in order to continue graphic designer provision for the LPTIP programme, Thompson Brand Partners were appointed on the 27th January 2020 for a period of 3 Months. Changing the current provider (Thompson Brand Partners) at this time will have negative consequences for the LPTIP programme being delivered. The programme has reached a crucial stage where a large amount of time and resources have been put into the schemes within it to ensure it is deliverable within the timescales set out by the Department of Transport. By not retaining Thompson Brand at this time will delay progression of a number of the LPTIP schemes which has the potential for funding to be withdrawn by the Department of Transport thus reducing significant investment in the City of Leeds. If successful the programme will facilitate the outcomes as laid out in section 2, 2.1.

2.3 The current provider has been extremely reliable and has worked proactively building up good relationships with LPTIP employees, delivery partners and Elected Members. There is a serious risk of continuity if the contract is not awarded and therefore putting the LPTIP scheme in jeopardy.

3. Main issues

3.1 We are currently working closely with Thompson Brand Partners relating to a number of schemes under the LPTIP programme and wish to retain Thompson Brand in order to continue to provide graphic design provision during this Covid 19 emergency period.

3.2 A low value quotation exercise was undertaken earlier in the year in order to procure the support of an external design agency. This arrangement was anticipated to be required until the end of March 2020, until a recruitment process was undertaken to appoint an internal graphic designer. Twenty seven agencies were invited to submit a quotation, with seven responding. Following the evaluation of the quotations, Thompson Brand were the successful bidder and were awarded a contract which expired on 31st March 2020.

3.3 Due to the current Covid-19 emergency Council recruitment has been affected and therefore the services of Thompson Brand are required for a longer period in order

to meet the immediate needs for graphic design support until this can be met internally.. As Thompson Brand were successful in the recent quotation process, which was evaluated on the basis of value for money, strength of design, creativity and vision, ability to demonstrate the ethos of Leeds City Council and accessibility, it has already been demonstrated that they provide value for money for the Council compared with other agencies in the market.

- 3.4 Thompson Brand Partners meet all their KPI's and have proved to be excellent value for money in terms of their specific skillset and outputs. The quality and delivery of their work also represents good value as they deliver all requirements with little to no intervention from LPTIP staff.

4. Corporate considerations

4.1 Consultation and engagement

- 4.1.1 A three month transport conversation in the Autumn of 2016, generated 8,169 questionnaire responses, (along with feedback from 100 workshops, meetings and presentations) demonstrating a keen interest in engaging with the city on issues of transport, both now and in the longer term.

- 4.1.2 Consultation was undertaken prior to the previous quotation exercise referenced above.

4.2 Equality and diversity / cohesion and integration

- 4.2.1 The LPTIP-funded programme was developed from the Leeds Transport Conversation and extensive engagement with a wide range of groups such as Voluntary Action Leeds, Child Friendly Leeds, BME Hub, Disability Hub, LGBT Hub, Leeds Society for the Deaf and Blind, Physical and Sensory Impairment (PSI) Network, Womens' Live Leeds, Elderly Action groups and various groups representing accessibility and usability.

4.3 Council policies and the Best Council Plan

4.3.1 Climate Emergency

- 4.3.2 The LPTIP is designed to Improve infrastructure to enable a transition to a low carbon, integrated transport system

4.4 Resources, procurement and value for money

- 4.4.1 As discussed in section 3, a quotation exercise was undertaken in January 2020 in order to appoint Thompson Brand on a temporary basis. Thompson Brand were the successful supplier as they received the highest score following evaluation. It has therefore been demonstrated that they provide value for money in relation to this contract.

- 4.4.2 DfT funding agreement letter 21/04/17 £173.5m of investment providing the schemes under LPTIP are delivered by the end of March 2021.
- 4.4.3 Thompson Brand Partners have proved able to maintain a route for all managed requests – programmed and planned proactively whilst allowing capacity for ad-hoc H&T and LPTIP requests. Thompson Brand have demonstrated that they provide value for money throughout the period of the previous contract, as they:
- Work directly with communications and marketing leads to ensure appropriate quality and effective outcomes, across £174million schemes.
 - Create fit-for-purpose design solutions across print and digital media.
 - Develop and deliver the Connecting Leeds brand in all formats.
 - Work directly with external partners (WYCA) to deliver work strands and manage resource collaboratively and consistently.

4.5 Legal implications, access to information, and call-in

- 4.5.1 This is a significant operational decision which is not subject to call-in. There are no grounds for keeping the contents of this report confidential under the Access to Information Rules. A waiver of the Council's Contract Procedure Rules is required to allow this contract to continue without competition on an interim basis.
- 4.5.2 Extending the initial contract direct to this provider may leave the Council open to a potential claim from other providers, to whom these contracts could be of interest that it has not been wholly transparent as the opportunity is not being advertised. In terms of transparency, it should be noted that case law suggests that the Council should always consider whether contracts of this value would be of interest to providers in other Member States and if it would, subject the matter to a degree of European wide advertising.
- 4.5.3 The Chief Officer Highways and Transportation has considered this and, due to the scope and nature of the services being delivered, the requirement to physically deliver the service in Leeds, and in particular the interim nature of the contract, is of the view 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 Although there is no overriding legal obstacle preventing the waiver of CPR 8.1 and 8.2, the content of the report should be noted. In making their final decision, the The Chief Officer Highways and Transportation should be satisfied that the approved course of action represents best value for the council.

4.6 Risk management

- 4.6.1 The LPTIP-funded schemes make progress towards delivery of the vision and objectives of the West Yorkshire Transport Strategy and the interim Leeds Transport Strategy. If the programme is not implemented, the level of growth in the

city could be constrained due to the inadequacies of the transport infrastructure. In addition, the lack of a viable public transport alternative will limit the efficacy of the Council's Clean Air Zone – as car usage will not be reduced. In addition if schemes are delayed due to not being able to facilitate effective public and Elected Members consultation then there is the potential of the programme funding being withdrawn. The Department for Transport have made it clear that all funded schemes have to be either completed or near completion by the end of the financial year 2020/2021. If at any point the schemes forecast extended delays beyond this point then funding may not be guaranteed resulting in significant loss of investment to the city of Leeds.

5. Conclusions

- 5.1 Leeds is a successful city and its economy continues to grow. Improving the existing transport network is an important enabler helping Leeds be a prosperous, liveable and healthy city. Accordingly the £173.5m funding allocated from DfT, added to local funding, creates an opportunity to deliver £270m of improvements to public transport in Leeds in the short to medium term. These will include a transformation of the bus network, plans for new rail stations at key employment growth locations, creation of high-quality city centre gateways, and establishing a strong basis for progression of longer-term plans envisaged within the Leeds Transport Strategy. A waiver of Contracts Procedure Rules 8.1 and 8.2 is required in order to enter into a new contract with the provider, to ensure that the service provided continues to support the LPTIP programme during the COVID-19 emergency.

6. Recommendations

- 6.1. The Chief Officer Highways and Transportation is recommended to waive Contract Procedure Rules 8.1 and 8.2 using the authority set out in CPR 1.3 to enter into a contract with Thompson Brand Partners for a period of 6 months. The contract value will not exceed £60,000.
- 6.2 The initial contract shall be extended from 22nd May 2020 and expire on 22nd November 2020. There will be an option to extend for a further 2 month period.

7 Background documents

- 7.1 None.

What is your reason for waiving CPRs?

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| There is a genuine, unforeseeable emergency meaning there is no time to go through a procurement process e.g. to deal with the consequences of extreme weather. | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No |
| To purchase supplies or services on particularly advantageous terms due to liquidation/administration. | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| Requirement to put a contract in place with a current provider whilst a review of the services is completed. | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No |
| Ran out of time to undertake a new procurement exercise | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No |
| Other (please provide summary here) | <input type="checkbox"/> Yes | <input type="checkbox"/> No |