

# Authority to Procure the UTMC Support for Bus Priority in SPRUCE and additional System Development and waiver of Contracts Procedure Rule 15.2(c).

Date: 14<sup>th</sup> May 2024

Report of: Senior Contracts Engineer Procurement

Report to: Chief Officer, Highways & Transportation

Will the decision be open for call in?  Yes  No

Does the report contain confidential or exempt information?  Yes  No

## Brief summary

This report seeks the approval of the Chief Officer, Highways and Transportation to go out to tender and evaluate the Urban Traffic Management and Control (UTMC) Support for Bus Priority in Selective Programming in a UTMC Environment (SPRUCE) and additional System Development.

The tender will be evaluated using a combined Price/Quality split approach, with 70% allocated to quality and 30% to price and will therefore require a waiver of CPR 15.2(c).

## Recommendations

The Chief Officer, Highways and Transportation is requested to:

- a) approve the open tender procurement and evaluation of subsequent submissions for the UTMC Support for SPRUCE Developing Bus Priority Strategies Contract (the 'Contract'). The Contract is expected to commence on 1<sup>st</sup> July 2024 to 30<sup>th</sup> June 2025 with the option to extend the contract for a further 12 months to 30<sup>th</sup> June 2026 using the evaluation criteria set out in the tender documentation.
- b) approve a waiver of Contracts Procedure Rule (CPR) 15.2(c) to allow for the combined Price/Quality split to be evaluated on 70% Quality and 30% Price.
- c) The estimated contract value is £45,000 per annum (total estimated value £90,000).

## What is this report about?

- 1 The Council is committed to expanding the implementation of bus priority through traffic signals across the network. Bus priority is an important tool for achieving quicker and more reliable bus journey times. To achieve this, additional resource is required to develop the relevant strategies and, to develop more effective systems, further development of the UTMC systems is essential.
- 2 The SPRUCE system continues to be used in Leeds, primarily (but not limited to) provision of bus priority and there is still a requirement for additional support in developing strategies within

the SPRUCE software. Additional resource will enable the network coverage of bus priority to be accelerated whilst also addressing other bespoke network issues outside the remit of other control strategies.

- 3 Leeds is currently developing a new traffic signal optimiser, focused on providing a more balanced level of service for bus, walking and cycling, that currently makes use of some elements of the SPRUCE system to store data and communicate with the UTC system. Technical support is required to continue the development of the new optimiser and other supporting UTMC systems as well as testing and commission data from new traffic sensors installed in the city centre.
- 4 This will be an open tender to award a new 1-year contract with the option to extend it for an additional 12 months.
- 5 The Contract will be awarded to one supplier based on the evaluation criteria set out in the tender documents which is set at 70% quality and 30% price.

### **What impact will this proposal have?**

- 6 Due consideration has taken place as part of the Corporate Procurement process, and it is currently not applicable for an Equality, Diversity, Cohesion and Integration screening / impact assessment to be undertaken at this time.

### **How does this proposal impact the three pillars of the Best City Ambition?**

Health and Wellbeing       Inclusive Growth       Zero Carbon

- 7 Providing specialist support for active bus priority and other supporting system development will enable the Council to maximise the benefit of the various major investment programmes. In doing so, it supports Zero Carbon by encouraging use of more sustainable modes of transport, Inclusive Growth by providing better access to buses and public transport and Health and Wellbeing with the associated exercise involved in commuting using public transport and active travel modes.

### **What consultation and engagement has taken place?**

Wards affected: n/a

Have ward members been consulted?       Yes       No

- 8 Consultation has taken place between the UTMC section and Highways Procurement where it was agreed this is the only viable procurement route for procuring a contract between £25,000 - £100,000 in line the Council's CPRs 8.1 and 8.2.

### **What are the resource implications?**

- 9 Funding is provided from the Network Management element of the five-year City Region Sustainable Transport Settlement (CRSTS).
- 10 The estimated contract value is £45,000 per annum. If the contract is extended, this would take the total estimated value to £90,000, below the UK procurement threshold for services (£214,904 inclusive of VAT).

### **What are the key risks and how are they being managed?**

- 11 There is no capacity to deliver this service in-house, and without additional support the service would not be delivered, therefore procuring a supplier to carry out this service is the only option.
- 12 Carrying out an open tender ensures we have a compliant way of procuring this service.

### **What are the legal implications?**

- 13 All activities relating to the open procurement for this contract will be carried out strictly in accordance with Council's CPRs.
- 14 This is a Significant Operational Decision and will be published in line with the Council's governance.
- 15 The report does not contain any exempt or confidential information under the Access to Information Rules.
- 16 In accordance with CPR 15.2(c), when using the combined price/quality split approach, the price element must always be 40% or greater. Any decision to set the price element lower than this will require a waiver of the CPRs in accordance with CPR 27 and must be justified in the circumstances.
- 17 In this instance, the service required is so specialised that a higher quality threshold is necessary to ensure we contract with a supplier who is capable of delivering. This will achieve better value for money overall and will be of far greater benefit than awarding to a supplier who doesn't fully understand the role.

## **Options, timescales and measuring success**

### **What other options were considered?**

- 18 A waiver of CPR 8.1 and 8.2 to enter into a contract without seeking competition was considered but dismissed as there was no guarantee only one supplier could provide the service.
- 19 A market sounding exercise (MSE) was considered to determine the level of competition in the market to see if a waiver was viable, but it was determined that aggregating waivers is not in line with the CPRs and an open competitive tender should be conducted.
- 20 Given the importance of continued work on SPRUCE, bus priority and the new optimiser, it is deemed appropriate for the Council to proceed with this open tender exercise to ensure a supplier is procured in line with the Council's CPRs.

### **How will success be measured?**

- 21 Success would be achieved through procuring a suitable and capable supplier within the time frames set out in the report.

### **What is the timetable and who will be responsible for implementation?**

- 22 The Highways Procurement team will aim to have the contract awarded in June 2024, with a start date of 1<sup>st</sup> July 2024.

### **Appendices**

- None.

### **Background papers**

- None.