

## Executive Decision Making by an Officer with Delegated Powers

Decision to be taken by: Kathryn Haworth, Lead Commissioner, Highway Authority.

Pursuant to an Authorisation from: the Commissioning Director: Communities and Infrastructure on 17<sup>th</sup> July 2018 under powers delegated to him by Cabinet, to:

- (1) conduct a compliant competitive tender process for the award of a contract to a single supplier for travel planning work at the West of Stonehouse and Bath Road Leonard Stanley for a period of ten years
- (2) upon conclusion of the competitive tender process, and in consultation with the Lead Cabinet Member for Highways and Flood, to enter into a contract with the preferred provider evaluated as offering the Council best value for money for delivery of the services. In the event that the preferred provider for the contract is either unable or unwilling to enter into that contract with the Council then the officer is authorised to enter into such contract with the next willing highest placed suitably qualified provider; and
- (3) Use £156,567.70 of s106 funds currently available from planning obligations specifically for travel planning purposes (and a further £126,168.20 when received) to fund delivery of the service

### **Contract Award for Travel Planning at the West of Stonehouse (and Bath Road, Leonard Stanley) development sites**

<b>The decision</b>	<ol style="list-style-type: none"><li>1. Having consulted with the Cabinet Member for Highways and Flood, the Council to award a service contract to Peter Evans Partnership, for the delivery of Travel Planning Services.</li><li>2. Authorise the Highways Contract Manager to increase the contract value up to the final contract value of £282,735.90 once full funding has been received</li><li>3. Authorise the Head of Legal Services to attach the council's seal to the contract and execute the same on behalf of the council.</li></ol>
<b>Background documents</b>	None

<p><b>Reasons for the decision</b></p>	<p>Following an OJEU compliant competitive tender process, Peter Evans Partnership has been evaluated as offering the most economically advantageous tender for the delivery of the services and is therefore the preferred provider.</p> <p>Awarding this contract will enable the council to deliver the travel planning works as set out in planning obligations for the West of Stonehouse and Bath Road, Leonard Stanley, Stroud developments</p>
<p><b>Resource implications</b></p>	<p>The scheme will be funded by s106 funding provided by the developers, specifically for the purpose of undertaking travel planning at these sites</p> <p><b>Contract value of £282,735.90 based on the best value tender. The contract will be initially awarded for £156,567.70 and will be increased to the full value of the tender once full funding has been received.</b></p> <p>This arrangement was set out in the bid documents</p>
<p><b>Who has been consulted?</b></p>	<ul style="list-style-type: none"> <li>• Cabinet Member for Highways and Flood</li> <li>• Relevant council officers including Strategic Finance, Legal Services, Commercial Services and the Think Travel Co-ordinator</li> <li>• The contract requires the successful contractor to undertake significant consultation with local stakeholders in relation to the project</li> </ul>
<p><b>What were their comments?</b></p> <p>The tender decision takes account of the views of relevant council officers with regard to the methodology proposed for delivery of the project by the chosen supplier.</p> <p>The Think Travel Officer was directly involved in the detailed assessment of the bids</p> <p>Finance has confirmed the S106 funding is available as summarised in the resource implications above. They are content that despite entering in to a ten year contract the Council will only drawdown the services as and when funding becomes available.</p> <p>Legal Services verified the tender process and prepared the contract documents</p> <p>Commercial Services have been providing support throughout the process</p> <p>The cabinet member was in agreement</p>	

## **Background/Context**

### **Purpose**

To undertake travel planning for the residential elements of new developments at “West of Stonehouse” (1350 houses) and “Bath Road, Leonard Stanley” (150 houses) to maximise the take up of sustainable travel options.

National planning policy guidelines, the “Manual for Gloucestershire Streets” and local planning authorities require travel planning to be undertaken for developments that are forecast to produce significant traffic, in order to reduce single occupancy car journeys. In such cases the need for travel planning is made a condition of the planning consent.

In respect of the two new residential developments; west of Stonehouse and Bath Road, Leonard Stanley the developers have asked that Gloucestershire County Council carry out the requisite travel planning on their behalf, consequently the council will receive contributions as set down in planning obligations for the two sites which amount to £300,000 over a ten year period which will start from the date of award of the contract (£162,000 having been received to date).

### **Strategic Context**

Developers are often required by planning permissions to undertake travel planning at their developments. Sometimes they opt to do this themselves and pay the council a monitoring fee and in some cases they provide a contribution via a s106 obligation to allow the council to commission and manage the work on their behalf.

By accepting the s106 travel planning work the council can assure itself of the quality and rigour of the process and ensure a cohesive approach to travel planning across Gloucestershire. The s106 funding covers the internal and external costs for travel planning and includes support for monitoring functions.

We are currently managing about twenty-five travel planning projects on behalf of developers most of which are valued at around £60,000. This particular project runs for a ten year period and is for a much larger development site and therefore comes in at a much higher value than the norm which is for a period of five years or less.

### **Business needs & objectives**

We are obliged by virtue of the s106 agreements to undertake the work which has been conditioned in the developer’s planning permission. To do otherwise would put the developer in breach of his planning permission.

## **Alternative options considered and why they were rejected**

### *Do not undertake the work*

This option is not available as the council is contractually bound to carry out the travel planning requirement unless the s106 obligation was to be renegotiated with all parties consent.

### *Deliver the travel planning service in-house*

A wide range of staff with various skills is required, some of which don't already exist within the council or if they do exist, are already fully engaged on other projects. Examples of skills are marketing, enumeration, cartography, cycle training, public relations, event organising etc.

The annual turnover on all the projects is very variable, with £160k being spent in 2016/17 and £270k in 2018/19 with the cost of offering of travel incentives such as free bus passes being included in this cost. The level of work is entirely dependant on the rate of housing construction and whether developers are required to undertake travel planning by the planning authorities. It is currently expected that the level of need to provide a travel planning service will decline due to changes to planning practice. There has been a noticeable downturn in the rate of house building across the sites that the council is currently involved with which means that demand is very unpredictable.

It would therefore not be cost effective to hire all the staff required to fulfil the travel planning function, particularly given the high risk of a subsequent downturn in funding.

### *Let a term contract to cover all travel planning work or undertake through our ongoing term contracts*

The individual travel planning projects run for five to ten years. If term contracts were used then individual sites would inevitably have to pass from one supplier/contract to another at least once in their contractual term. The change of personnel would cause a break in continuity which would cause significant inefficiencies and possibly lose the confidence of the residents in the process.

### *Use an existing framework i.e ESPO. or create our own*

We have used an ESPO framework in the past, but only limited contractors sought to respond to provide such services. This was principally because most of the suppliers in the travel planning market are not part of ESPO or other frameworks.

ESPO contracts are time limited on their validity so can't be used for five or ten year projects

We could create our own in house framework, but given the total value of the work and the number of bidders for each contract being relatively low, then advertising to a wider market of suppliers for each tender is preferable.

## **Risk Analysis**

This is generally a low risk project as failure would not have high profile consequences; however there would be longer term needs to increase road capacity etc.

Key risks are

- a supplier not engaging well with the public which could result in adverse publicity which has been mitigated assessing the experience set out in the bids
- Staff changes meaning suitably experienced staff are not available which has also been mitigated by assurances given in the bids
- The supplier going out of business which would mean the project would have to be retendered and re-established. Credit checks have been undertaken to mitigate against this
- That the techniques employed don't achieve the required levels of engagement and buy-in from the public. i.e the residents do not respond to the survey work and do not show a willingness to travel sustainably. This will be mitigated by regular review of performance by the supplier and by council officers
- Poor performance or service reduction by organisations outside of the council's control i.e bus or train operators which could impact on the travel choices of residents. If this occurs then the project could be seriously undermined but alternative travel methods such as car sharing would be promoted. Cycling and walking will, of course, be also promoted throughout the project where appropriate for the journeys being undertaken

**Equalities considerations**

The decision will not impact on protected characteristics

Whilst the travel planning process is principally aimed at travel to work and school, guidance to residents of the developments will also be available for other essential and leisure trips.

The proposed contract for the development of travel planning services will ensure the contractor considers the specific needs of those people with the protected characteristics in providing appropriate travel planning guidance

**Has a Due Regard Statement been completed? No**

**Has any conflict of interest been declared by any Cabinet Member consulted on the decision?**

No

**If any conflict of interest declared, was a dispensation granted by the Audit and Governance Committee of the Council?**

None

**Does this decision report form or any supporting papers provided contain confidential or exempt information?**

No

**Does this decision need to be published on the GCC website?**

Yes

Having fully considered all available information, I have decided to reject any alternative options and take the recommended decision(s), for the reasons set out in this report.

Signed 

*Kath Haworth*

*Lead Commissioner, Highway Authority*

Date 23/4/19

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