

CONTRACT SCRUTINY PANEL AGENDA



Monday 13th August 2007

at 10.00 a.m.

**in Training Room 1,
Belle Vue Community Sports and Youth Centre
Kendal Road, Hartlepool**

MEMBERS: CONTRACT SCRUTINY PANEL:

Councillors Allison, Flintoff, Jackson, Richardson and Shaw

- 1. APOLOGIES FOR ABSENCE**
- 2. TO RECEIVE ANY DECLARATIONS OF INTEREST BY MEMBERS**
- 3. MINUTES**
 - 3.1 To confirm the minutes of the meeting held on 30th July 2007 (*attached*)
- 4. ITEMS FOR INFORMATION**
 - 4.1 Results of Tender for Supported Bus Service Contracts – *Head of Technical Services*
 - 4.2 Hartlepool Southern Business Zone – Feasibility Study – *Director of Regeneration and Planning Services*
- 5. ANY OTHER ITEMS WHICH THE CHAIRMAN CONSIDERS ARE URGENT**
- 6. LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985**

EXEMPT ITEMS

Under Section 100(A)(4) of the Local Government Act 1972, the press and public be excluded from the meeting for the following items of business on the grounds that it involves the likely disclosure of exempt information as defined in the paragraphs referred to below of Part 1 of Schedule 12A of the Local Government Act 1972 as amended by the Local Government (Access to Information) Act 1985

7. OPENING OF TENDERS

7.1 Local Bus Service 15 – *Transportation Team Leader*

8. ANY OTHER CONFIDENTIAL ITEMS WHICH THE CHAIRMAN CONSIDERS ARE URGENT

ITEMS FOR INFORMATION

i) **Date of Next Meeting Tuesday 28th August 2007 commencing at 10.00am in Training Room 2, Belle Vue Community Sports and Youth Centre**

CONTRACT SCRUTINY PANEL

MINUTES AND DECISION RECORD

30 July 2007

The meeting commenced at 10.00 a.m. in the Belle Vue Community, Sports and Youth Centre Centre, Hartlepool

PRESENT: Councillor Flintoff (In the Chair);
Councillors Richardson and Shaw

Also present in accordance with Council Procedure Rule 4.3 (ii):
Councillor Simmons as substitute for Councillor Jackson

OFFICERS: Pauline Newton, Principal Legal Executive
Steven Wilkie, Landscape Architect Team Leader
Andrew Pearson, Parks and Countryside Manager
Richard Harland, Parks Development Officer
Jo Wilson, Democratic Services Officer

15. Apologies for Absence

Apologies were received from Councillors Allison and Jackson.

16. Declarations of interest by members

None.

17. Confirmation of the minutes of the meeting held on 2 July 2007

Agreed.

18. Tender Opening: Greyfields Sports Pitches Improvement Works (Contract ref no 224) – *Director of Regeneration and Planning Services and Director of Neighbourhood Services*

Members were advised that improvement works would be undertaken in two phases to allow for continued partial use of the pitches over 2007-2008 and 2008-2009. Tender packages had been issued to three constructors currently on the list of approved contractors and accredited by the Sports and Play Construction Association. Costs were expected to be in the region of £150,000-160,000

Decision

That the report be noted and all tenders received before the deadline date be opened.

19. Local Government Access To Information

Under Section 100(A)(4) of the Local Government Act 1972, the press and public were excluded from the meeting for the following items of business on the grounds that it involves the likely disclosure of exempt information as defined in paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972 as amended by the Local Government (Access to Information) (Variation) Order 2006.

Minute 20 – Greyfields Sports Pitches Improvement Works (ref 226) (para 3 - Information relating to the financial or business affairs of any particular person (including the authority holding that information)).

20. Greyfields Sports Pitches Improvement Works (ref 226) (Senior Quantity Surveyor)

Members were informed that tenders had been invited in respect of the above project.

BOB FLINTOFF

CHAIR

<p>CONTRACT SCRUTINY PANEL</p> <p>13th August 2007</p>



Report of: Head of Technical Services

Subject: RESULTS OF TENDER FOR SUPPORTED BUS SERVICE CONTRACTS

1. PURPOSE OF REPORT

To inform the Panel of the decision regarding the tender for supported bus service contracts.

2. BACKGROUND

The Council provides financial support to a number of supported bus services. This includes “socially necessary” bus services, which would not otherwise be provided on a commercial basis. These services provide vital access to education, employment and health facilities and are a vital element in complementing Hartlepool’s commercial bus network.

The bulk of the current supported bus services consist of one large block contract. A block contract is a group of contracts provided at a discounted price. The current block contract was last tendered in 2002 and will end on the 25th August 2007.

The total cost of the supported bus service contracts required that a notice be placed in the European Journal (OJEU). This notice was placed on the on the 7th May 2007 giving the required 52 days notice. A notice was also placed in the Northern Echo. Tender documents were posted to a total of 15 bus operators, giving a return date of the 22nd June 2007.

A list of services included in the current block contract is provided in **Table 1** below.

Table 1 – Current Supported Bus Contracts

Contract Number	Service Number	Route
D07001	516/517/524	Tesco – High Tunstal - Elwick – Dalton Piercy
D07002	527	Greatham – Fens Estate – Town Centre - ASDA
W07003	980	Middlegate – Town Centre – Brenda Road - Tofts Farm Industrial Estate
U07004	3A	Marina – West Park
U07005	15	Marina – Town Centre – Owton Manor – Seaton Lane
U07006	1	Hartlepool – Seaton Carew – Port Clarence - Middlesbrough
U07007	6/12	Fens - Middlegate
M07008	1/1A	Hartlepool – Seaton Carew – Port Clarence - Middlesbrough
M07009	3	Fens Hotel – Town Centre – Historic Quay – Throston Grange – Bishop Cuthbert
M07010	6	Clavering – Hart Station – Brus Arms – Town Centre – South Fens
M07011	7/7A	Middlegate – Town Centre – Owton Manor
M07012	12	Middlegate – Town Centre – Seaton Carew
S07013	822	Seaton Carew – Manor/Brierton School
S07014	823	Middlegate – St Hild's School
S07015	824	Town Centre – High Tunstall School
S07016	826	Throston Grange – English Martyrs School
S07017	828/829	Seaton Carew - English Martyrs School

3. PROPOSALS

All received tenders were opened at a meeting of the Council's Contract Scrutiny Panel on the 3rd July 2007. A total of three bus operators submitted prices for the tendered service contracts. This included tenders from Cleveland Transit Ltd (t/a Stagecoach in Hartlepool), Arriva Durham County and Veolia.

Stagecoach submitted a form of tender for contracts D07001, D07002, W07003, U07004, U07005, U07006, U07007, M07009, M07012, S07013, S07014, S07015, S07016, S07017. Stagecoach also submitted a form of tender for all the above contracts as a block at a discounted price.

As part of its submission, Stagecoach also informed the Council that it will operate three contracts, currently supported by the Council, on a commercial basis as from the 26th August 2007. This includes contact numbers M07008 (early Saturday Service 1/1A journeys), M07010 (early Service 6 journeys) and M07011 (early Service 7/7A journeys).

Arriva submitted a separate form of tender for contacts U07004, U07005, U07006, U07007 and M07008.

Veolia submitted a separate form of tender for contacts D07001 and D07002 as well as a block tender for both services at a discounted price. Veolia also submitted a further four forms of tender for combinations of contracts. Unfortunately, the tender prices of these block tenders were not able to be assessed as a non existent contract number was quoted on each form.

Appendix 1 provides the tendered costs for the supported bus contracts for each bus operator. **Table 2** below provides a summary of the award of contracts by tenderer.

Table 2 – Award of Contract by Tenderer

Contract Number	Service Number	Tenderer A	Tenderer B	Tenderer C
D07001	516/517/524			√
D07002	527	√		
W07003	980	√		
U07004	3A		√	
U07005	15	√		
U07006	1	√		
U07007	6/12	√		
M07009	3	√		
M07012	12	√		
S07013	822	√		
S07014	823	√		
S07015	824	√		
S07016	826	√		
S07017	828/829	√		
M07008	1/1A	N/A	N/A	N/A
M07010	6	N/A	N/A	N/A
M07011	7/7A	N/A	N/A	N/A

4. FINANCIAL CONSIDERATIONS

Taking the lowest price tender for each of the remaining 14 services for the three operators provides a total cost to the Council of £223,535. This represents a reduction of £3,924 compared to the current contract cost. Funding for this cost has been made available as part of the Council's bus revenue support budget. No additional funding is required for 2007/08.

The award of contracts will be for a period of one year to enable future operation of services as part of the development of the Council's Integrated Transport Unit (ITU).

5. RECOMMENDATIONS

That the Panel notes the award of supported bus service contracts to the lowest priced tenderers as detailed in **Appendix 1**.

6. REASONS FOR RECOMMENDATIONS

Award of contracts based on lowest price tender.

7. CONTACT OFFICER

Ian Jopling - Transportation Team Leader.

Appendix 1 – Tendered Costs for Hartlepool Supported Bus Service Contracts

Contract Number	Service Number	Current Contract Cost	Tendered Contract Costs (from 26 th August 2007)						Lowest Price
			Tenderer A	Tenderer A	Tenderer B	Tenderer C	Tenderer C	Tenderer C	
D07001	516,517,524	All 17 Contracts at £227,459	£78,005	All 14 Contracts at £239,693	-	£60,000	-	D07001 & D07002 at £109,000	£60,000
D07002	527		£2,447		-	-	£57,500		£2,447
W07003	980		£12,685		-	-	-		£12,685
U07004	3a		£11,687		£8,740	-	-		£8,740
U07005	15		£681		£1,640	-	-		£681
U07006	1		£2,417		£3,320	-	-		£2,417
U07007	6,12		£965		£1,645	-	-		£965
M07009	3		£3,804		-	-	-		£3,804
M07012	12		£1,695		-	-	-		£1,695
S07013	822		£24,732		-	-	-		£24,732
S07014	823		£21,942		-	-	-		£21,942
S07015	824		£16,719		-	-	-		£16,719
S07016	826		£13,223		-	-	-		£13,223
S07017	828,829		£53,485		-	-	-		£53,485
M07008	1/1a		-	-	£3,199	-	-		-
M07010	6		-	-	-	-	-		-
M07011	7/7a		-	-	-	-	-		-
		£227,459		£239,693					£223,535

NB - **Bold** indicates low est price tender

CONTRACT SCRUTINY PANEL

13th August 2007



Report of: Director of Regeneration & Planning Services

Subject: HARTLEPOOL SOUTHERN BUSINESS ZONE –
FEASIBILITY STUDY

1. PURPOSE OF REPORT

- 1.1 To advise members of the panel of the intention to undertake a comprehensive feasibility study for the Hartlepool Southern Business Zone.

2. BACKGROUND

- 2.1 The overall project will aim to facilitate the development and enhancement of Hartlepool's key employment generating zone to assist in the long term restructuring of Hartlepool's economy.
- 2.2 The Hartlepool Southern Business Zone consists of 16 industrial estates, primarily along the Brenda Road corridor and covers an area of 176Ha employing over 5,000 people.
- 2.3 The project will be delivered through a strategic partnership of Hartlepool Borough Council, who will lead on the project, private sector businesses and developers that will represent the local interests, Hartlepool Economic Forum and regeneration bodies including TVR and ONE North East.
- 2.4 The overall project will be delivered through a staged process that will need to start with the commissioning of a comprehensive study to identify the underlying issues in more detail, development of strategy and implementation plan, feasibility of the plan, detailed cost plan and phased implementation plan.

- 2.5 This will all help to shape the overall project providing an in depth analysis of the underlying issues and subsequent detailed action plan that will result in a framework to allow successful delivery of the project.
- 2.6 It has been estimated that the study will potentially cost upto £100,000 because of the specialist and complex nature of the work involved.
- 2.7 Funding for the study will be through a combination of the partners involved, with ONE North East contributing £75,000 through Single Programme and HBC Economic Development contributing £25,000. There could also potentially be some private sector contributions as well.

3. PROPOSAL

- 3.1 The proposed feasibility study is of a specialist nature and will require the expertise of a multi-disciplined consultancy to undertake the various aspects such as business consultation, visioning, strategy development, landscape architecture, economic profiling, commercial property and land usage etc.
- 3.2 Furthermore there is time constraints set by One North East to complete the study this financial year and have the allocated Single Programme funding spent by March 2008.
- 3.3 For the above reasons it is recommended not to advertise the tender in the usual manner but to approach no less than 6 of the major UK Regeneration and Economic Development consultant companies who will have the necessary skills and capabilities to delivering this study on time.
- 3.4 A brief has been prepared that will be sent out to identified consultants who will be asked to submit tenders in accordance with HBC guidelines. All tender submissions will be received in the usual manner and a decision made by a representative panel.

4. RECOMMENDATION

- 4.1 That members of the panel note information provided and the proposal to go out to tender for the study.

5. CONTACT OFFICER

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