

Cabinet Meeting

Meeting Date	5 th November 2014
Report Title	Bus Procurement pursuant to a planning obligation – Morrison's Supermarket, Queenborough
Cabinet Member	Cllr. Gerry Lewin - Deputy Leader and Cabinet Member for Planning
SMT Lead	Pete Raine, Director of Regeneration
Head of Service	James Freeman, Head of Planning
Lead Officer	Carole Williams s106 Monitoring Officer
Key Decision	No
Classification	Open
Forward Plan	

Recommendations	1. That Members give authority to award a contract (in response to a tender) to Arriva for the provision of additional bus services which would improve the sustainability of the Morrison's supermarket development pursuant to the requirements of a s106 planning obligation.
------------------------	--

1 Purpose of Report and Executive Summary

- 1.1 Following a successful tender exercise by Kent County Council using its Third Party Framework Agreement, this report seeks Members' authority to award the a contract for enhanced bus services to Morrisons, Neats Court, Queenborough to Arriva. This is pursuant to an obligation under the s106 agreement.

2 Background

- 2.1 Swale Borough Council entered into a s106 Planning Agreement with a developer on 30th January 2012 requiring contributions of £415,000 to be spent over a five year period to fund the start up and operational costs of the rerouting of three bus services to serve the development which was particularly the new Morrisons store. The contribution was paid on condition that it was spent within 6 years from commencement of development, if this deadline was not achieved the money would have to be returned to the developer with accrued interest.
- 2.2 Due to a restructure of its transport procurement service, Kent County Council were unwilling to contract with the bus company directly (as they had in such circumstances in the past) but instead offered to procure the service using their existing framework on condition that the contract itself was entered into directly by Swale Borough Council.

3 Proposal

- 3.1 KCC has now tendered the proposal using its EU procurement law compliant framework and has received two satisfactory tenders.
- 3.2 KCC has assessed the tenders on behalf of Swale Borough Council and advises that: *“the Arriva proposal offers a more suitable solution. The submission provides better peak provision which has been constructed through liaison with the store itself and meets the S106 requirements in all respects for the duration of proposed contract.”*
- 3.3 Therefore it is proposed that the tender of Arriva is accepted so that the enhanced service can begin as quickly as possible after the formal award of contract.

4 Alternative Options

- 4.1 Two alternative options present themselves in this instance. They are as follows:
- (a) Award the contract to the alternative supplier
 - (b) Decide not to award the contract and return the s106 monies to the developer
- 4.2 Taking each of these in turn; Option (a) is a possibility as the bid is broadly compliant and offers good service enhancement during peak periods . However, the advice from KCC as local transport authority is that the Arriva bid is the more suitable solution overall because amongst other considerations it offers better service enhancement at peak periods to meet the needs of workers and shoppers and there is more certainty that the service will be provided for the full five year period. Option (b) is also an option but returning the money to the developer may be seen as a wasted opportunity to improve bus provision on the Isle of Sheppey.
- 4.3 All the options are cost neutral as the Council is not spending from its budget; funding is entirely from developer contributions. The option with the most public benefit is to accept the Arriva proposal.

5 Consultation Undertaken or Proposed

- 5.1 The planning application was subject to the standard consultation under the Town and Country Planning (Development Management Procedure) Order (2010).
- 5.2 The planning application was reported to the Planning Committee and grant of planning permission was approved subject to a requirement for enhanced bus provision secured under the s106 Planning Obligation.
- 5.3 The Contract was tendered by Kent County Council under its Framework: Third Party Bus Contract 2014. This constitutes a Purchasing Scheme for the purposes of SBC Contract Standing Orders which provide that in such circumstances it is acceptable for the evaluation criteria and processes to be run by another organisation.

6 Implications

Issue	Implications
Corporate Plan	The new bus service will contribute to the Corporate Plan priorities of Open for Business – supporting new business in Swale and Healthy Environment – sustainable transport.
Financial, Resource and Property	The cost associated with the proposal is £415,000 which is entirely developer funded.
Legal and Statutory	This community infrastructure is provided in response to an identified need and secured by a planning obligation under s106 Town and Country Planning Act 1990 (as amended). Contract Standing Orders require that a contract of this value is reported to Cabinet prior to award,
Crime and Disorder	None identified at this stage
Risk Management and Health and Safety	None identified at this stage
Equality and Diversity	Public transport benefits all types of people in the community but in general the frail elderly, the youth and those without access to a car benefit most from a regular bus service.
Sustainability	The sustainability of the development is improved by the provision of public transport directly to the store.

7 Appendices

7.1 None.

8 Background Papers

8.1 None.