



PUBLICATION OF DECISION LIST NUMBER 6/18-19

MUNICIPAL YEAR 2018/2019

Date Published: Friday 29 June 2018

This document lists the Decisions that have been taken by the Council, which require publication in accordance with the Local Government Act 2000. The list covers Key, Non-Key, Council and Urgent Decisions. The list specifies those decisions, which are eligible for call-in and the date by which they must be called-in.

A valid request for call-in is one which is submitted (on the form provided) to the Governance and Scrutiny Team in writing within 5 working days of the date of publication of the decision by at least 7 Members of the Council.

Additional copies of the call-in request form are available from the Governance and Scrutiny Team.

If you have any queries or wish to obtain further report information or information on a decision, please refer to:
– Claire Johnson (ext.4239)

Phone 020 8379 then extension number indicated

INDEX OF PUBLISHED DECISIONS – Friday 29 June 2018

List Ref	Decision Made by	Date Decision comes into effect	Part 1 or 2	Subject/Title of Report	Category of Decision	Affected Wards	Eligible for Call-In & Date Decision must be called in by (If Applicable)	Page Number
1/6/18-19	Executive Director Place	Monday 9 th July 2018	Part 1	Replacement of 13x24 Seat Buses for the People Transport Service	Key Decision KD: 4708	All	Yes –Friday 6th July 2018	1 - 4

DECISIONS

For additional copies or further details please contact Claire Johnson (020 8379 4239), Governance and Scrutiny Team.

LIST REFERENCE: 1/6/18-19

SUBJECT TITLE OF THE REPORT :							
REPLACEMENT OF 13X24 SEAT BUSES FOR PEOPLE TRANSPORT SERVICE							
Part 1 or 2 (relevant exempt Paragraph)	Wards affected by decision	Decision taken by	Date Decision comes in to effect	Interest declared in respect of the Decision	Category of decision (i.e. Key, Non-Key, Council, Urgent)	Contact Details	Eligible for Call-in & Date to be called in by
Part 1	ALL	Executive Director Place	Monday 9 th July	None	Key Decision: KD: 4708	Julian Minta 07790 585086 julian.minta@enfield.gov.uk	Yes –Friday 6th July 2018
AGREED:-							
That the Executive Director – Place:							
1. Authorises the purchase of 13 x 24 seat buses through the internal leasing fund (in the sum of £1,118,000) as part of the on-going fleet replacement programme							
2. These will replace all existing vehicles (which will be non-compliant with new emission regulations). The current vehicles which are owned will be sold via auction, with proceeds transferred back to the internal leasing fund							

ALTERNATIVE OPTIONS CONSIDERED

1. Do nothing, and do not replace. This has been dismissed as the vehicle will not meet forthcoming emission standards and the excessive current maintenance cost means that current fleet is not cost effective to operate.
2. Enter into a full contract hire agreement. This has also been dismissed for the reasons of being not cost effective, but in addition does not give us the facility to dispose of the proposed owned vehicles should service arrangements change.
3. Outsourced contracts - Following the extensive marketing activity for the previous transport tenders, there is not the private vehicle resource in the Borough to competitively cover this type of activity. The PTS, as part of the competitive marketing process, interviewed a large number of local bus service providers. This evidence is further supported by the findings of the LBE Commercial team who identified the same challenges in their review of the swims program. They also found that the PTS team offered considerably better value than the commercial market:
 - The vehicle size is specialist and not the norm for a commercial operation.
 - 24 seat category falls between minibus and coach and not popular with commercial operators.
 - Larger vehicles cannot be used because of the street width access. We pick up from home and access is usually limited. Vehicles in excess of 24 seats cannot navigate the smaller streets either safely or at all.
 - Using more smaller vehicles is not cost effective. Not only would we require at least 2 smaller vehicles to cover the work of each bus, we would need extra drivers and PA's.
 - Most of the vehicles have seats removed to allow for wheelchair use. Commercial operators would need to reconfigure vehicles every time they want to use them for other activity and given that this would take a number of hours and 2 staff, it is not practical. Therefore, these vehicles would have to be procured specifically and solely for PTS contracts.
 - We currently undertake 39 swim routes per week, although this figure does vary. This would also need to be contracted out.
 - Commercial Services cost analysis below

		COMPARISON - RATES PER RETURN JOURNEY											
Transport provider		The Council	The Little Bus Co	Golden Boy Coaches					Momentum Coach Hire				
Number of runs (return)		1	1	1	2	3	4	Additional runs	1	2	3	4	Additional runs
Total charge per bus	16/24/29 seater	£75							£190	£245	£270	£295	£25
	33/35 seater		£155	Full day £340 (up to 20 miles)					£230	£290	£315	£340	£25
Price per run for all pupils	16/24/29 seater*	£150							£380	£245	£180	£148	£50
	33/35 seater		£155	£150-170	£170	£113	£85	£1.70 per mile	£230	£145	£105	£85	£25

REASONS FOR RECOMMENDATIONS

1. When comparing external contract hire against outright purchase, the outright purchase option is the best value for money option. The difference between the cost of outright purchase using the internal leasing fund and the cost of external contract hire is approximately £1.462m over the 7-year life of the assets or £208,000 per annum year on year. The cost of internal maintenance has been taken in to consideration when calculating these costs which have been reviewed and approved by finance.
2. The replacement vehicles will be able to provide the continued support and cost efficiencies for the service.
3. This recommendation is to replace an existing fleet that is now beyond economical repair and will be non-compliant with new emission regulations. The current vehicles which are fully owned will be sold at auction with the proceeds transferred back to the internal leasing fund. The existing back up rental vehicles will be returned to the suppliers. The method of procuring though contract hire will cost the Council a lot more than outright purchase (see financial implications table).

BACKGROUND

Please note that a copy of the Part 1 report is available via the Decision List link on the Council's Democracy pages