



Glasgow City Council

Contracts and Property Committee

Report by Director of Legal and Administration

Contact: Maureen Fitzpatrick Ext: 76406

Item 3

28th November 2024

The Provision of Bus Shelter Cleaning, Maintenance, Repair and Advertising Services

Tender Reference :- GCC006094CPU

Purpose of Report:

To submit details of the tenders received for the provision of bus shelter cleaning, maintenance, repair and advertising services and recommend acceptance of the most economically advantageous tender as detailed in this report.

Recommendations:

The Contracts and Property Committee is requested to approve the award of a service concession contract for the provision of bus shelter cleaning, maintenance, repair and advertising services to the supplier listed below.

Clear Channel UK Limited
Companies House Number - 00950526

Ward No(s):

Citywide: ✓

Local member(s) advised: Yes ☐ No ☒ consulted: Yes ☐ No ☐

1 Background and Tender

- 1.1 Glasgow City Council sought to appoint a concessionaire (a company which is remunerated through being permitted to run and exploit the work or service for the Council which can imply an operating risk of an economic nature to the concessionaire) able to deliver bus shelter cleaning, maintenance, repair and advertising services contract.
- 1.2 The contract will include a range of services to manage, clean and maintain the council's portfolio of bus shelters. These will include shelters with and without advertising space. As part of the agreement the awarded supplier will be allowed to exploit the assets and sell advertising space to create a revenue stream. This revenue will cover the full cost of managing the portfolio of shelters (cleaning, maintenance and repairs) at no cost to the council as well as providing the council with a guaranteed regular income via a payment from the awarded supplier.
- 1.3 This contract will be the 3rd generation income generating service concession contract with the current contract expiring in January 2025.
- 1.4 The council's portfolio consists of 676 bus shelters, 89 non-advertising and 587 advertising. The supplier recommended for award will be responsible for the cleaning, maintenance and repair of all shelters within the portfolio. Regular cleaning of the shelters and inspections of the structures and surrounding footways etc. are scheduled on a fortnightly basis.
- 1.5 A commodity team consisting of stakeholders from Neighbourhoods, Regeneration and Sustainability (NRS) and the Corporate Procurement Unit (CPU) was formed to develop the sourcing strategy and delivery a new contract.
- 1.6 As part of the premarket engagement a Prior Information Notice (PIN) was issued to the open market via Public Contract Scotland. In response to the PIN we received 3 expressions of interest in the tender opportunity.
- 1.7 Given the limited response to the PIN it was agreed that an open tender process under the Concession Contracts (Scotland) Regulations 2016 would be the most appropriate method to deliver this contract. The opportunity was advertised via UK Find a Tender Service and Public Contracts Scotland.
- 1.8 The duration of the contract is 10 years from 3rd January 2025 with the option to extend for a further period of up to 5 years.
- 1.9 The contract will be utilised by NRS.

2 Evaluation

- 2.1 12 suppliers expressed an interest in this tender opportunity. Of the 12, 2 submitted a bid. Of the 10 suppliers that failed to respond, 4 confirmed that they

had decided not to bid on this occasion. The other 6 suppliers provided no feedback.

2.2 The award evaluation was based on the following criteria and weightings:-

| Price | Quality | Quality Sub Criteria |
|-------|---------|--|
| 70% | 30% | Defects and Graffiti – Public Reporting Example (Pass / Fail) |
| | | Ownership of the Council's Portfolio - 4% |
| | | Portfolio Management - 14% |
| | | Infrastructure - 4% |
| | | Sustainability – 3% |
| | | Fair Work First (including the Real Living Wage) 5% |

2.3 The evaluation of award scoring of the supplier which has been recommended for award is shown in the table below:-

| Description | Supplier | Total Evaluation Score | Rank |
|---|--------------------------|------------------------|------|
| The Provision of Bus Shelter Cleaning, Maintenance, Repair and Advertising Services | Clear Channel UK Limited | 98.0% | 1 |

A summary of the unsuccessful tender evaluation results can be found at Appendix A.

3 Contract implementation and Supplier Management

- 3.1 The contract implementation should be a seamless process as the supplier recommended for award is the incumbent supplier for the current agreement.
- 3.2 The outcome of our Contract Management Assessment Tool (CMAT) has deemed this contract to be categorised as a medium. The supplier will be monitored in line with our contract and supplier management process which includes tracking the suppliers performance against the key performance indicators and working collaboratively to identify opportunities of improvement and innovation.
- 3.3 The agreed community benefits outcomes will be monitored via Cenefits which is a web-based monitoring tool. We will also capture sustainable commitments within the CPU Sustainable Register.

4 Policy and Resource Implications

Resource Implications:

Financial:

A service concession contract is a contractual arrangement between a public authority and an economic operator (the concession holder). The latter provides services or carries out works and is remunerated by being permitted to exploit the work or service at its own risk.

The council will not incur any costs and will receive significant guaranteed revenue from the concessionaire over the duration of the contract based on the existing bus shelter portfolio.

The contract also allows for an additional revenue to the council by increasing the digital shelter portfolio during the life of this contract. This will be reviewed periodically by NRS and the supplier and will be subject to planning consent.

The value of the guaranteed payment submitted by the supplier recommended for award cannot be included in the report due to the commercial sensitivity of the bid, however, it is an increase on the amount in the current contract.

Legal:

The report raises no new legal issues.

The Director of Legal and Administration will be responsible for concluding the contract.

Personnel:

No direct personnel implications.

Procurement:

This procurement activity was undertaken as an open tender as detailed in section 1.6.

Council Strategic Plan:

The following Grand Challenge and Mission are supported by this project:

Grand Challenge 4, Mission 1

Equality and Socio- Economic Impacts:

Does the proposal support the Council's

Yes - the Sustainable Procurement Duty requires that before a contracting authority buys anything,

*Equality Outcomes
2021-25*

it must think about how it can improve the social, environmental and economic wellbeing of the area in which it operates, with a particular focus on reducing inequality.

What are the potential equality impacts as a result of this report?

An EQIA was not required for this contract as there is no impact.

Please highlight if the policy/proposal will help address socio economic disadvantage.

Fair Work First was included as part of the award criteria with a weighting of 5%.

The supplier recommended for award, Clear Channel UK Limited, has confirmed the following Fair Work First policies within its tender submission:

- Payment of at least the Real living Wage
- Provide appropriate channels for effective workers voice
- Investment in workforce development
- No inappropriate use of zero hour contracts
- Offer flexible and family friendly working practices for all workers from day one of employment

Community Benefits was included as part of the tender process. The supplier recommended for award, Clear Channel UK Limited, has confirmed the following outcomes:

- 150 x Community Engagement - Financial Support (minimum £1k) – COM01
- 30 x Community Engagement - Non-Financial Support (min. 5hrs) – COM02

Climate Impacts:

Does the proposal support any Climate Plan actions? Please specify:

No specific actions.

What are the potential climate impacts as a result of this proposal?

The cleaning and maintenance of the bus shelters will ensure they remain fit for purpose and may encourage an increased use of public transport.

Will the proposal contribute to Glasgow's net zero carbon target?

As above

**Privacy and Data
Protection impacts:**

No data protection impacts identified.

5 Recommendations

The Contracts and Property Committee is requested to approve the award of a contract for the provision of bus shelter cleaning, maintenance, repair and advertising services to the supplier listed below.

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Appendix A

| Supplier | Evaluation Score | Rank |
|---------------------|------------------|-----------------|
| JCDecaux UK Limited | 45.28% | 2 nd |