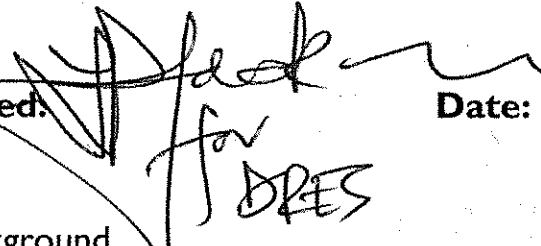


<b>Decision- Maker:</b> Director of Regeneration Enterprise and Skills	<b>DATE</b> 16/03/2018	<b>ITEM NO</b> CON1015
<b>TITLE:</b> Contract Award Report for the Provision of Cycle Training Services Borough Wide	<b>WARD (S)</b> All	
<b>LEAD OFFICER:</b> Assistant Director/ Deputy Director - Transportation	<b>CABINET MEMBER:</b> Transport Economy and Smart Cities	
<b>DECISION CLASSIFICATION:</b> - Non-Key Decision - Non-exempt	<b>IS THE FINAL DECISION ON THE RECOMMENDATIONS IN THIS REPORT TO BE MADE AT THIS MEETING?</b>  Yes	

1. Decision required

This report makes the following recommendations to the decision-maker:

- 1.1 To agree to award a contract to Cycle Confident Ltd to be the Royal Borough's supplier for cycle training services from 1<sup>st</sup> April 2018 to 31<sup>st</sup> March 2021 with provision for up to two 12 month extensions with a total maximum value of up to £650,000.

Agreed / Not Agreed.  Date: 16.3.18  
for DRES

2. Introduction and Background

- 2.1 For the past 12 years the Royal Borough have been delivering cycle training courses for adults and children. The costs of providing this service have been met through capital funding received from Transport for London (TfL).
- 2.2 Since the 18<sup>th</sup> January 2016 this service has been delivered by Bikeworks CIC (Contract reference: ECM\_38727, DA Award report reference CON690). The contract with Bikeworks will come to an end on the 31<sup>st</sup> March 2018.

- 2.3 Capital funding from TfL is available to continue delivering the cycle training programme at the same level that has been provided over the previous 3 years.
- 2.4 Therefore, a new contract will need to be in place before this date to ensure business continuity for the service.
- 2.5 In preparation for this, an open tender process was conducted via the ProContract tender portal with a notice published on Contracts Finder and available under OJEU.
- 2.6 The published opportunity did not guarantee the successful provider any minimum or maximum volumes of work. This ensures the Council is protected from any costs in the event that funding for the service is curtailed.
- 2.7 Responses to the tender were received from four organisations; Bikeworks, Cycle Training UK Ltd, Cycling Instructor Ltd and Cycle Confident Ltd.
- 2.8 All suppliers submitted compliant bids, on time and with all requirements met. As such a full evaluation was completed for all suppliers.

### 3. Evaluation

- 3.1 Tenders were evaluated by a panel of three Officers against a previously agreed cost/quality framework. The weightings applied were as follows;
- 40% on the tendered prices (specified as the cost per cycle training instructor hour)
  - 60% on the overall quality of the submission
- 3.2 Full details of the quality scoring criteria and the final weighted tender scores for each question are provided as Appendix A. Table 1 below summarises this information;

	Cycle Confident	Bikeworks	Cycling Instructor	Cycle Training UK
Price (out of 40%)	37.4	40	38.7	35.6
Quality (out of 60%)	47.1	40.6	45.5	47.2
<b>TOTAL Score (%)</b>	<b>84.5</b>	<b>80.6</b>	<b>84.2</b>	<b>82.8</b>

## 4 Evaluation Outcome

- 4.1 Bikeworks scored fourth overall. The price Bikeworks put forward was the lowest of all the bidders. However, the project team had little experience compared with the other three bidders. In addition their approach to delivering the contract overlooked fundamental requirements such as ensuring the availability of instructors. As a result of their poor quality score their final overall score was the lowest of all bidders.
- 4.2 Cycle Training UK Ltd scored third overall. Their price submission was significantly higher than any other bidder. Despite achieving the highest quality score overall the high price put forward resulted in a low overall score.
- 4.3 Cycling Instructor Ltd scored second overall. Their price submission was the second lowest. Their quality score was lower than the highest scoring bidder as their project team was not as highly qualified as the highest bidder.
- 4.4 Cycle Confident Ltd scored first overall. Their price submission was the third lowest at 6% more expensive than the lowest priced bidder. However, their quality submission was significantly better than any of the cheaper bidders. They were able to demonstrate an incredibly highly skilled project team with a glowing range of testimonials from the full breadth of organisation involved in the cycling sector. Alongside a more streamlined delivery approach than other bidders they were able to achieve the highest score overall due to the balanced price/quality submission.

## 5 Available Options

- 5.1 The Council could award the contract to the highest scoring bidder (Cycle Confident Ltd).
- 5.2 The Council could award the contract to a lesser scoring but potentially cheaper bidder. Selecting a bidder with a lower quality offer opens the Council to reputational risks in the event that technical or safety issues arise with the service. Furthermore, to award the contract in a manner that is inconsistent with the evaluation matrix that was published through the procurement process is likely to result in challenges from other bidders. This would cause a break in the service whilst legal challenges were addressed.

5.3 The Council could do nothing. This would result in the complete underspend of the allocated budget from TfL. The Royal Borough of Greenwich would become the only London Borough to not provide cycle training for its residents. Subsequently, the 'more and safer cycling' strand of the adopted Cycling Strategy (2014) would cease to be delivered.

6. Preferred Option and Reasons for Recommendations

6.1 The preferred option is for the Council to award the contract to the highest scoring bidder, Cycle Confident Ltd.

6.2 This recommendation is put forward on the basis that Cycle Confident Ltd's offer demonstrated the most economically advantageous bid, demonstrating the optimum balance between price and quality.

7. Next Steps: Communication and Implementation of the Decision

7.1 This decision will result in the incumbent supplier (Bikeworks) no longer delivering cycle training services in Royal Greenwich as they have done for the previous three financial years.

7.2 In preparation for this re-procurement exercise the Cycle Training and Projects Coordinator worked with Bikeworks to put business continuity measures in place to cover the possibility that they would not be successful in winning the contract.

7.3 Once this decision is confirmed the Cycle Training and Projects Coordinator will coordinate with Bikeworks and Cycle Confident Ltd to ensure a smooth transition between suppliers, preventing any interruptions to the delivery of this service.

8. Cross-Cutting Issues and Implications

Issue	Implications	Sign-off
Legal including Human Rights Act	8.1 This report is seeking the Chief Officer's approval in order to award a contract to Cycle Confident Ltd, following a tender process for the provision of Cycle Training	Cynthia Erove Senior Lawyer, Regeneration and Procurement

	<p>courses in Royal Greenwich at an annual cost of £130,000 and a final contract value of £650,000.</p> <p>8.2 The contract duration is for a fixed period of three years (1<sup>st</sup> April 2018 to 31<sup>st</sup> March 2021) with an option to extend for 12 months at a time at no more than 24 months.</p> <p>8.3 The Council's procurement of services is governed by;</p> <ul style="list-style-type: none"> <li>• The Local Government Act 1999, which requires the Council to make arrangements to achieve best value in the exercise of its functions, which includes the services contained within the proposed contract;</li> <li>• The Council's contract standing orders and general fiduciary duties; and</li> <li>• The Public Contract Regulations (PCR) 2015 which require contracts over the relevant financial threshold (£181,302) to be advertised in OJEU and carried out competitively in compliance with the principles of transparency and equal treatment of economic operators.</li> </ul> <p>8.4 The procurement of this service was conducted under the PCR 2015 rules because of the relevant financial threshold - £650,000.</p> <p>8.5 Cycle Confident Ltd offered the best price/quality tender.</p> <p>8.6 The approval of this award is</p>	12/03/18
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	<p>recommended.</p> <p>8.7 The award of this contract has no legal or Human Rights implications.</p> <p><b><u>CSO Compliance</u></b></p> <p>8.8 All contracts over £50,000 must be made under seal or signed by two officers nominated by the Chief Legal Officer.</p> <p>8.9 All contracts over £100,000 must be in writing and signed by or on behalf of a Chief Officer.</p> <p>8.10 Attention is also drawn to regulation 7 of the Openness of Local Government Bodies Regulations 2014 where officers are required to keep a written record of their decision containing the matters set out in reg. 7(2). This provides that:</p> <p>“(3) The written record must be produced as soon as reasonably practicable after the decision-making officer has made the decision and must contain the following information—</p> <p>(a) the date the decision was taken;</p> <p>(b) a record of the decision taken along with reasons for the decision;</p> <p>(c) details of alternative options, if any, considered and rejected.</p>	
<p><b>Finance</b> and other resources including procurement implications</p>	<p>This Report requests the Director of Regeneration, Enterprise and Skills to agree to award Cycle Confident Ltd a contract to be the Borough’s provider of adult and children’s cycle training services from 1<sup>st</sup> April 2018 to 31<sup>st</sup> March 2021 for a period of 36 month with provision of two 12 month contract extensions.</p>	<p>Richard Millgate, Finance Manager 01/03/2018</p>

	<p>The costs of this contract is expected to be £130,000 per year. These costs will be funded with TfL LIP funding. TfL provide further funding to cover the costs of a Cycle Training and Projects Coordinator to manage the contract.</p> <p>There is no guarantee of works within the contract - the value stated is a maximum value only. If LIP funding was to be withdrawn the Council would not be obligated to commit to any work with the successful supplier.</p>	
<b>Equalities</b>	The decisions recommended through this paper have a remote or low relevance to the substance of the Equality Act. There is no apparent equality impact on end users.	Joel De Mowbray, Principal Transport Planner 23/2/18
<b>Staffing establishment</b>	A full time staff member of staff is currently in post to manage this contract.	Joel De Mowbray 22/2/18

## 9. Report Appendices

9.1 The following documents are to be published with and form part of the report:

- *Appendix A: Quality Criteria and Final Weighted Scores*

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