Framework Agreement for Provision of Passenger Transport Services
D/6/13

Invitation to Tender

Closing date for receipt of Tenders:

12:00 noon on Monday, 3 February 2014
## Contents

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>DEFINITIONS USED IN THIS DOCUMENT</td>
<td>3</td>
</tr>
<tr>
<td>1. INTRODUCTION</td>
<td>4</td>
</tr>
<tr>
<td>2. BACKGROUND</td>
<td>4</td>
</tr>
<tr>
<td>3. WHAT IS A FRAMEWORK AGREEMENT?</td>
<td>5</td>
</tr>
<tr>
<td>4. HOW WILL THE FRAMEWORK AGREEMENT OPERATE?</td>
<td>5</td>
</tr>
<tr>
<td>5. DETAILED DESCRIPTION OF THE LOTS</td>
<td>7</td>
</tr>
<tr>
<td>6. TENDER PROCEDURE AND ACCEPTANCE ONTO AGREEMENT</td>
<td>8</td>
</tr>
<tr>
<td>7. GUIDANCE NOTES AND CONDITIONS OF TENDER</td>
<td>9</td>
</tr>
<tr>
<td>8. SUBMISSION OF TENDERS</td>
<td>10</td>
</tr>
</tbody>
</table>
DEFINITIONS USED IN THIS DOCUMENT

Throughout this entire document except where the context clearly implies otherwise, the following definitions shall apply:

‘Agreement’ or ‘Framework’ or ‘framework’ or ‘Framework Agreement’ means the Passenger Transport Services Framework Agreement entered into between Shetland Islands Council and the Operator under cover of which the Client will enter into individual Contracts.

‘Client’ means the Shetland Islands Council, ZetTrans, NHS Shetland and any other body that is entitled to join this framework.

‘Contract’ means a contract subsequently awarded under the Agreement and entered into between the Client and the Contractor(s).

‘Contractor’ means the Operator accepted on to the Agreement and/or Contract and engaged by the Client to provide passenger transport services.

‘Council’ or ‘Authority’ means Shetland Islands Council which commissions the Services under the Agreement or any officer or member acting on behalf of that authority.

‘Invitation to Tender’ means the documentation issued by Shetland Islands Council to prospective Contractors dated 19 December 2013 inviting the submission of Tenders in respect of this Agreement.

‘Mini-competition’ means a pricing exercise that will operate under this Agreement; it will take the format of a further Tender process that will be open only to Contractors on the Agreement.

‘Operator’ means an appropriately licensed individual, company or organisation that can provide passenger transport services.

‘Service’ or ‘Services’ mean the passenger transport services delivered by the Contractor to the Client under the Agreement or any Contract under the Agreement.

‘Tender’ means the Operator’s Tender affording them acceptance on to the Agreement.

‘Tenderer’ means an Operator submitting a Tender for acceptance on to the Agreement.

‘Taxi’ means a small vehicle of maximum 8 passenger capacity (excluding the driver) licensed or permitted to carry passengers for hire or reward. For the purpose of this Agreement, this includes Private Hire Cars and any other legal forms covering vehicles of this size.

‘TPU’ means the Transport Planning Unit of Shetland Islands Council or any duly authorised officer acting on the TPU’s behalf.

‘TUPE’ means Transfer of Undertakings Protection of Employment Regulations 2006

‘ZetTrans’ means Shetland's Transport Partnership
1. INTRODUCTION

1.1 These instructions and conditions apply to the Tendering process for this Framework Agreement to ensure that all Tenderers are treated equally and fairly and to provide for compliance with other relevant legal requirements. Failure to comply with these instructions and conditions may therefore invalidate your Tender.

1.2 The closing date and time for receipt of Tenders: 12:00 noon on Monday 3rd February 2014.

1.3 No Tender received after the closing date and time for receipt of Tenders will be considered.

2. BACKGROUND

2.1 Shetland Islands Council and ZetTrans between them commission a range of transport services including local bus services for the general public, community transport, home to school transport for school children and students, and transport for adults and children with social or welfare needs. These services are co-ordinated by the Council’s Transport Planning Unit based at 6 North Ness, Lerwick, ZE1 0LZ. Non-emergency transport for people with a need to access healthcare services is commissioned by NHS Shetland and there are similar road passenger transport services commissioned by other public sector organisations in the Shetland Islands.

2.2 A new framework of approved suppliers for the provision of passenger transport services is now being set up by Shetland Islands Council on behalf of itself, ZetTrans, NHS Shetland and other partners (Clients). The Council will manage the framework on their partners’ behalf. The framework agreement will have an Agreement Period of four (4) years. It is anticipated that the framework will commence during February 2014.

2.3 The intention of the Framework Agreement is to appoint suitable Operators of Taxis, Minibuses and Buses / Coaches (operators may operate one or more of these types of vehicles) to whom the Clients will let individual Contracts for the operation of a range of different vehicles and types on a range of services, including, but not limited to:

- Local (Public) Bus services, including mainline, feeder, dial-a-ride and Health Centre services;

- Services to meet education purposes, principally involving carriage of pupils and students between home and school or college, but including daytime movements and some out-of-school provision. This will include services for pupils and students with additional support needs;

- Services to meet the Council and its partners’ social care duties, principally enabling service users to access a variety of centres and clubs where activities or therapy takes place;

- Services to enable patients to access healthcare facilities; this is not intended to include emergency patient transport;
• Ad hoc use of transport for Client purposes, including the use of transport by staff and Council members.

2.4 The above list is illustrative of the sort of services that it is anticipated that this Framework Agreement will cover; it is not intended to be exhaustive. In addition to the provision of vehicles and drivers, the framework will include the provision by the operator of passenger assistants (escorts) where appropriate to meet the identified needs of individual passengers, and may include the provision of drivers without vehicles where the Client makes vehicles available.

3. **WHAT IS A FRAMEWORK AGREEMENT?**

3.1 A Framework Agreement is an agreement between one or more contracting authorities and one or more Operators, the purpose of which is to set out the rules that will apply to any Contracts that may be awarded during a given period, in particular with regard to quality and, where appropriate, the quantity envisaged. The rules for frameworks are set out in Part 3 of The Public Contracts (Scotland) Regulations 2012.

3.2 A Framework Agreement can have some similarities to an approved list; for example Operators must meet the entry criteria specified by the Council.

*Please note:*

3.3 Unlike an approved list, the Council is unable to add additional Operators to the Framework Agreement during the period of the Framework Agreement. Therefore, if Operators do not tender at this stage, they will be unable to participate any further during the period that this Framework exists.

3.4 It is essential that Operators submit a Tender for inclusion onto the Framework Agreement if they have an interest in providing the type of passenger transport services outlined in this document for any of the Clients included in the agreement.

4. **HOW WILL THE FRAMEWORK AGREEMENT OPERATE?**

4.1 In seeking to establish a Framework Agreement for the provision of passenger transport services the Council’s aim is to make readily available to the TPU and its partner clients a selection of Operators to provide transport services which best meet their requirements.

4.2 The Framework Agreement will be in place for four years. Suitable Operators will be appointed to the Framework Agreement, having met the essential criteria advised within this Invitation to Tender.

4.3 To make it easier to operate and to reduce unnecessary paperwork, the framework is divided into four Lots covering different categories of service:

• Lot 1 – Short Notice and Urgent Transport
• Lot 2 – Mainstream School Transport
• Lot 3 – Additional Support Needs, Social Care, Healthcare and other Transport
• Lot 4 – Supported Public Local and Community Bus Services

Note that Operators can apply to be included in one or more Lots.
Acceptance onto this Framework Agreement is not a guarantee that an Operator will be awarded contracts under the framework. Once the Framework is established, then the Clients will award contracts under the framework by means of:

- Mini-competitions between operators accepted onto the framework;
- Direct negotiation with operators where, for example, there is no realistic opportunity (usually as a result of short notice) of competition.

The mini-competition pricing exercises will involve those Operators identified in the Framework as being able to supply the required service(s). Such pricing competitions will be conducted in a relatively quick and straightforward manner, without further recourse to public advertisement, and will be limited only to Operators on the Framework Agreement.

Mini-competitions for short notice and small-scale contracts will usually be conducted electronically or by telephone, i.e. with notifications and specifications sent via email and/or by telephone or SMS message. A growing part of the Clients' business will be awarded through electronic procurement during the lifetime of this agreement, and Operators are advised to ensure that they are properly established to engage in this way.

Contracts under the framework may include, but are not limited to:

- Longer-term contracts for provision of one or more services;
- Short-term and one-off contracts for provision of a service;
- Call-off contracts whereby a unit rate is agreed for provision of a resource (usually a driver and vehicle of a particular type) that the Client may call upon.

Contracts under the framework will normally be awarded on the basis of lowest price; in the event that it is on occasion necessary to use the alternative (most economically advantageous offer from the point of view of the Client, using one or more of the criteria set out in Part 5 of The Public Contracts (Scotland) Regulations 2012) this will be identified in advance of the mini-competition as the basis for the award.

The intention is for the bulk of the initial mini-competitions covering public bus and mainstream school services under this framework to take place during February and March 2014 in a co-ordinated fashion so as to enable:

- Operators to batch bids for services together so as to create more economic packages of work, and
- Award with adequate time for Operators to prepare for a start date for the main public bus and school services of mid-August 2014.

Operators should note that the Clients reserve the right to seek and award tenders outside the framework if, at their sole discretion, they assess that using the framework will not provide them with ‘best value’ as defined in Section 1, Local Government in Scotland Act 2003.
4.11 It is envisaged that awards under the Framework Agreement will be made during February 2014, following this Tender exercise, and that it will take effect from 12th February 2014 or soon thereafter.

4.12 Tenderers should also note that although this Framework Agreement lasts for a period of four years, contracts awarded under the Framework Agreement may last for longer periods (i.e. beyond the term of this framework).

5. DETAILED DESCRIPTION OF THE LOTS

5.1 The four Lots within the framework are as follows:

Lot 1 – Short Notice and Urgent Transport

5.2 The services required under this Lot will be mainly ad hoc, unplanned journeys required at short notice and urgently. Some access to the services will be required on a 24 hours per day, 7 days per week basis. However, suppliers that do not operate a 24 hour service will also be considered for this Lot.

5.3 Journeys may be one-offs or short-term regular journeys. Most journeys will be organised by, or on behalf of social care or health care services for both adults and children so the ability to meet the welfare and safety needs of the passengers is critical. However, use of this Lot is not restricted to social or health care. Passenger assistants may be required for some or all journeys and may be required outside of normal office hours. This Lot is mainly suitable for suppliers of smaller vehicles such as taxis or private hire vehicles. Wheelchair accessible vehicles may be required, and on occasion minibuses.

Lot 2 – Mainstream School Transport

5.4 The core work required under this Lot will be the provision of transport for pupils and students between home (or designated pick-up and drop-off points) and school or college. However, the Lot will include planned and ad hoc, regular and one-off journeys with contracts ranging from short-term to long-term. The services required will be in line with the Council’s home to school transport policy. The Lot may also be used to commission transport to enable students to attend swimming classes, sports meetings and other excursions organised by or on behalf of educational establishments. A range of standard and specialist vehicles will be required including wheelchair accessible vehicles. This Lot is suitable for a variety of vehicle sizes ranging from low seating capacity vehicles such as taxis, to high seating capacity coaches and buses. Passenger assistants may be required.

Lot 3 – Additional Support Needs, Social Care, Healthcare and other Transport

5.5 This Lot will include planned, ad hoc, regular and one-off journeys with contracts ranging from short-term to long-term. This Lot is mainly suitable for suppliers of smaller vehicles such as taxis, private hire cars and minibuses. Wheelchair accessible vehicles may be required.

5.6 The main purpose of the services to be provided under this Lot is to transport pupils with additional support needs between home and school or college, other passengers to day care or respite facilities, to healthcare establishments and to community and other centres
where social and club activities are planned. Education transport requirements will be in line with the council’s home to school transport policy.

5.7 Some services will be organised for adults and children on behalf of social care and health services so the ability to meet the welfare and safety needs of the passengers is critical. Passenger assistants will be required for some or all journeys. Note that it is not intended that this framework will be used to procure emergency healthcare transport.

**Lot 4 – Supported Public Local and Community Bus Services**

5.8 ZetTrans, Shetland’s Transport Partnership, anticipates procuring a network of Mainline and Feeder public bus services, including Dial-a-ride, Shopper and Health Centre services, in the following areas: Bressay, Fetlar, Lerwick, North Mainland, South Mainland, Unst, Whalsay, West Mainland, Yell, each of which contains a number of routes.

5.9 Approved suppliers will be able to bid for various routes throughout the Islands either as a batch or on an individual basis. Contracts are normally issued on a 5 year basis, although there may be a need to issue shorter term contracts, some of which may be required at short notice.

5.10 Mainline and some feeder services within this Lot will be suitable for bus and coach operators with appropriate operator licences for vehicles with 17 or more passenger capacity constructed for local bus service use. The remaining services will be suitable for bus and coach operators with appropriate operator licences for smaller vehicles, as well as licensed taxi and private hire car operators and community transport providers with the relevant permits. Operators will be expected to register services with the Traffic Commissioner where appropriate, participate in concessionary travel schemes and assist in publicising the services. Contracts under this Lot may be let on either a Minimum Cost basis (ZetTrans receives the fares revenue) or a Minimum Subsidy basis (Operator keeps the fares revenue).

**6. TENDER PROCEDURE AND ACCEPTANCE ONTO AGREEMENT**

6.1 The procurement process adopted is based upon the Open Tender Procedure, as detailed in the Public Contracts (Scotland) Regulations 2012.

6.2 Tenders should be prepared and submitted in accordance with the instructions laid out in this document.

6.3 All Tenders will be evaluated in accordance with the details shown in the Tender Return Form.

6.4 We reserve the right to seek additional information or clarification from Tenderers at any stage. A Tenderer may be excluded from the Framework Agreement should they not respond to the Council’s requests for clarification by the deadline indicated in the request.

6.5 Upon conclusion of the evaluation of Tenders, both successful and unsuccessful Operators whom it is agreed should or should not be included in the Framework Agreement will be advised in writing.
6.6 Such inclusion, offered pursuant to this Invitation to Tender, will be on the basis of the award criteria and process described in the Tender Return Form.

7. GUIDANCE NOTES AND CONDITIONS OF TENDER

GENERAL

7.1 Tenderers should comply with the guidance laid out in the Tender Return Form.

7.2 Tenderers should consider only the information contained within this Invitation to Tender or otherwise communicated in writing to Operators, when completing their Tender.

7.3 Information supplied by the Council (whether in this document or otherwise) is supplied to aid the preparation of Tenders. Tenderers must satisfy themselves by their own investigations with regard to the accuracy of such information. The Council cannot accept responsibility for any inaccurate information obtained by Tenderers.

7.4 Tenderers shall not, before the date and time specified for return of the Tender, communicate to any person any of the details of their Tender or proposed Tender, except where the disclosure in confidence is necessary to obtain insurance cover required for the purpose of the Tender.

7.5 The Tender shall be a bona-fide Tender and shall not be fixed or adjusted by or under or in accordance with any agreement or arrangement with any other person.

7.6 Tenderers shall not enter into any agreement or arrangement with any other person with the intent that the other person shall refrain from tendering or between you agree as to the content of any other Tender to be submitted.

7.7 The Council shall not be liable for, or pay any direct or indirect costs howsoever incurred by any Tenderer in the preparation of their Tender, or for the costs of any post-tender clarification meetings or inspections or by any Tenderer who fails to respond by the deadline set.

CANVASSING

7.8 Tenderers should not, in connection with the proposed Framework Agreement or any Contract awarded under it:

- canvass or offer any inducement, fee or reward to any member or officer of the Clients; or

- do anything which would constitute a breach of the Bribery Act 2010; or

- contact any member or officer of the Council or any person acting as an adviser to the Council (except as authorised by this Invitation) about any aspect of the proposed Framework Agreement or for soliciting information in connection therewith.

FREEDOM OF INFORMATION ACT

7.9 Any information supplied in response to this Invitation to Tender may be made available on demand in accordance with the Freedom of Information (Scotland) Act 2002.
7.10 It is important to note that information may be commercially sensitive for a time (e.g. during a Tender process) but afterwards may not be. The timing of any request for information may be extremely important in determining whether or not information is exempt. However, Tenderers should note that no information is likely to be regarded as exempt forever.

HELP IN COMPLETING THE TENDER

7.11 If you have any queries about the documentation, the Tender process, or the proposed Framework Agreement, please submit these to:

Elaine Park
Transport Planning Unit
Shetland Islands Council,
6 North Ness,
LERWICK,
Shetland,
ZE1 0LZ
Telephone: 01595 743957 Fax: 01595 744480
Email: elaine.park@shetland.gov.uk

7.12 All questions will be recorded and forwarded to the appropriate person for a response. Except as noted below, a copy of all questions and answers will be maintained and distributed periodically to all firms invited to Tender.

7.13 Responses to questions of a sensitive or confidential nature will either be given only to the Tenderer raising the question or circulated to all Tenderers in an anonymous format.

7.14 Queries received after 12:00 noon on Monday 27th January 2014 may not be answered.

7.15 Answers to questions will also be posted on our website:

- http://www.shetland.gov.uk/transport/

7.16 If you need further help with completing your tender this is also available from Elaine Park and colleagues at the address and phone number above - please contact her directly to arrange an appointment.

7.17 If in doubt about any part of the Tender - do not be afraid to ask for assistance.

8. SUBMISSION OF TENDERS

8.1 Tenderers should complete the Tender submission following the format and instructions detailed in this document and the Tender Return Form.

8.2 Please submit one paper copy of the Tender Return Form to the address below (you do not need to send the other parts of the Tender only the pages of the Tender Return Form).

8.3 The Tender must be sealed, and not bear any mark identifying the name of the Tenderer. If a courier or other special delivery services are used, Tenderers must ensure that the outside of any additional packaging is addressed as follows:
TENDER FOR FRAMEWORK AGREEMENT FOR PROVISION OF PASSENGER TRANSPORT SERVICES

Reference: D/6/13

Return Date: 12:00 noon Monday 3rd February 2014

RETURN ADDRESS AND TENDER DEADLINE

8.4 Tenders should be returned in an envelope marked as above and addressed to the address below.

Executive Manager – Governance and Law,
Shetland Islands Council,
Governance and Law,
8 North Ness,
LERWICK,
Shetland
ZE1 0LZ

8.5 Tenders must be received by the Executive Manager – Governance and Law by 12:00 noon Monday 3rd February 2014 and unless specifically withdrawn in writing, Tenders shall remain open for acceptance for a period of 90 days from the date of submission.

8.6 In view of the importance of the Tender it is strongly recommended that the Tender is delivered by hand and a receipt is obtained.
SUMMARY: GUIDANCE FOR OPERATORS – TENDER SUBMISSION

This SUMMARY is designed to help operators who are submitting Tenders avoid some of the potential pitfalls of the process, which may result in the Tender being rejected.

Do

- Complete the Tender document in English, in legible black ink or type.
- Sign and date the Tender document.
- Get your signature witnessed.
- Initial any mistake or alteration (correction fluid or similar must not be used).
- Raise any query regarding the Tender documents with the TPU as soon as possible.
- Ensure that your tender document is delivered before the closing date.

Do Not

- Alter the Tender document without seeking prior approval from Council Officers.
- Submit an alternative Tender without also submitting a conforming Tender.
- Rely on first class post being sufficient to allow a Tender to arrive on time if posted the day before the closing date.
- Submit any item/correspondence, which does not relate to the Tender in the same envelope.
- Submit any statement that could be interpreted as altering the Tender from its original form without seeking prior approval from Council Officers.

Remember

- The Council's decision on whether or not a Tender is acceptable will be final and the Tenderer concerned will not be consulted.
- Operators will not be allowed to alter their Tenders after the closing date.
- Tender documents must be sent, or delivered by hand, to the return address identified, so as to arrive no later than noon on the date indicated on the Tender document.
- The envelope must bear no indication of the name of the Tenderer either on the envelope or in the franking. The pre-addressed envelope that is available may be affixed to a larger plain envelope if required.
- Tenders delivered by hand to Office Headquarters, 8 North Ness, Lerwick, ZE1 0LZ including delivery by courier firms, should be handed in at the Main Reception located in the foyer. Opening times are: 09:00 to 17:00, Monday to Friday. You should make sure that you or your agents obtain a receipt.
- Tenders sent by post and received after the closing date and time will not be considered or accepted unless there is clear evidence of a delay in the postal system. The final decision on whether a delayed tender can be accepted will be taken by the Chief Executive.
- Shetland Islands Council does not bind itself to accept any Tender.