



**Notice of a public meeting of  
Corporate and Scrutiny Management Policy and Scrutiny  
Committee (Calling In)**

**To:** Councillors Williams (Chair), Galvin (Vice-Chair), Crisp, D'Agorne, Fenton, Gates, Levene, Lisle and Reid

**Date:** Tuesday, 3 January 2017

**Time:** 5.30 pm

**Venue:** The George Hudson Board Room - 1st Floor West Offices (F045)

**A G E N D A**

**1. Declarations of Interest**

At this point, Members are asked to declare:

- any personal interests not included on the Register of Interests
- any prejudicial interests or
- any disclosable pecuniary interests

which they may have in respect of business on this agenda.

**2. Public Participation**

It is at this point in the meeting that members of the public who have registered to speak can do so. The deadline for registering is **Friday 30 December 2016 at 5.00pm**. Members of the public can speak on agenda items or matters within the remit of the committee.

To register to speak please contact the Democracy Officer for the meeting, on the details at the foot of the agenda.

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### **3. Called-in Item: Park and Ride Service Operator Specification (Pages 1 - 24)**

To consider the decisions made by the Executive at a meeting held on 7 December 2016 in relation to the above item, which has been called in by Councillors Craghill, D'Agorne and Kramm in accordance with the Council's Constitution. A cover report is attached setting out the reasons for the call-in and the remit and powers of the Corporate and Scrutiny Management Policy and Scrutiny Committee (Calling-In) in relation to the call-in, together with the original report and the decisions of the Executive.

### **4. Urgent Business**

Any other business which the Chair considers urgent under the Local Government Act 1972.

#### Democracy Officer:

Name: Laura Clark

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- E-mail : [Laura.Clark@york.gov.uk](mailto:Laura.Clark@york.gov.uk)

For more information about any of the following please contact the Democracy Officer responsible for servicing this meeting:

- Registering to speak
- Business of the meeting
- Any special arrangements
- Copies of reports and
- For receiving reports in other formats

Contact details are set out above.

**This information can be provided in your own language.**

我們也用您們的語言提供這個信息 (Cantonese)

এই তথ্য আপনার নিজের ভাষায় দেয়া যেতে পারে। (Bengali)

Ta informacja może być dostarczona w twoim własnym języku. (Polish)

Bu bilgiyi kendi dilinizde almanız mümkündür. (Turkish)

یہ معلومات آپ کی اپنی زبان (بولی) میں بھی مہیا کی جاسکتی ہیں۔ (Urdu)

 (01904) 551550

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**Corporate and Scrutiny Management Policy and Scrutiny Committee (Calling-In)****3 January 2017**

Report of the Assistant Director – Legal and Governance

**Called-in Item: Park and Ride Service Operator Specification****Summary**

1. This report sets out the reasons for the post decision call-in of the decisions made by the Executive on 7 December 2016 in respect of the Park and Ride Service Operator Specification. The Executive gave approval for Officers to commence a new tendering exercise to secure an operator for the York Park & Ride service from February 2018, based on an option which it was felt provided increased flexibility to the Park & Ride operators. This cover report sets out the powers and role of the Corporate & Scrutiny Management Policy & Scrutiny Committee in relation to dealing with the call-in.

**Background**

2. An extract from the Decision Sheet issued after the Executive meeting is attached as Annex A to this report. This sets out the decision taken by the Executive on the called-in item. The original report to the Executive on 7 December 2016 on the called-in item is attached as Annex B to this report.
3. The Executive's decision has been called in post decision by Councillors Craghill, D'Agorne and Kramm for review by the Corporate & Scrutiny Management Policy & Scrutiny Committee (CSMPSC) (Calling-In), in accordance with the constitutional requirements for call-in. The following are the reasons given for the call-in:
  - The recommended Option 2 will undermine Executive commitment made in Dec 2015 in Air Quality Action Plan 3 for the most frequent bus services in the city centre 'to be required to have zero emission capability by 2018' \* Local Air Quality Management (LAQM) Annual Status Report 2016.

- By not requiring rapid transition from two routes to fully ultra-low-emission vehicle (ULEV) status on all routes within the first half of the contract, CYC will undermine its 2012 Low Emission Strategy, in particular the proposed Clean Air Zone due to be introduced by 2018 in order to achieve compliance with the health based objectives for air quality. This was explicitly called for in representations to the Executive but ignored in their decision to move ahead on Option 2.
- Recent draft guidance from NICE (National Institute for Clinical Excellence) to local councils making specific proposals about designating Clean Air Zones has not been considered in this decision. The Executive has a statutory public health responsibility to 'improve the health of the local population'. Given that between 94 and 163 premature deaths in York are attributed to the effects of air pollution, the Executive should ensure that the proposal is compliant with its approved Low emission strategy and draft Clean Air Zone to bring air pollution down to within safe limits.

### **Consultation**

4. In accordance with the requirements of the Constitution, the calling-in Members have been invited to attend and/or speak at the Call-In meeting, as appropriate.

### **Options**

5. The following options are available to CSMPSC (Calling-In) Members in relation to dealing with this post decision call-in, in accordance with the constitutional and legal requirements under the Local Government Act 2000:
  - a. To decide that there are no grounds to make specific recommendations to the Executive in respect of the report. If this option is chosen, the original decision taken on the item by the Executive on 7 December 2016 will be confirmed and will take effect from the date of the CSMPSC (Calling-In) meeting; or
  - b. To make specific recommendations to the Executive on the report, in light of the reasons given for the post decision call-in. If this option is chosen, the matter will be reconsidered by the Executive at a meeting of Executive (Calling-In) to be held on 26 January 2017.

### **Analysis**

6. Members need to consider the reasons for call-in and the report to the Executive and form a view on whether there is a basis to make specific recommendations to the Executive in respect of the report.

### **Council Plan**

7. There are no direct implications for this call-in in relation to the delivery of the Council Plan and its priorities for 2015-19.

### **Implications**

8. There are no known Financial, HR, Legal, Property, Equalities, or Crime and Disorder implications in relation to the following in terms of dealing with the specific matter before Members; namely, to determine and handle the call-in.

### **Risk Management**

9. There are no risk management implications associated with the call in of this matter.

### **Recommendations**

10. Members are asked to consider all the reasons for calling in this decision and decide whether they wish to confirm the decisions made by the Executive or refer the matter back for reconsideration and make specific recommendations on the report to the Executive.

**Reason:** To enable the called-in matter to be dealt with efficiently and in accordance with the requirements of the Council's Constitution.

### **Contact details:**

**Author:**

Dawn Steel  
Head of Civic &  
Democratic Services  
01904 551030

**Chief Officer Responsible for the report:**

Andrew Docherty  
Assistant Director

**Report  
Approved**



**Date** 21 December 2016

**Specialist Implications Officer(s)** None

**Wards Affected:** All

**For further information please contact the author of the report**

**Annexes**

Annex A – Extract from the Decision Sheet produced following the Executive meeting on the called-in item

Annex B – Report to the Executive of the Corporate Director of Economy and Place on the Park and Ride Service Operator Specification, 7 December 2016

**Background Papers**

None

**EXECUTIVE****WEDNESDAY, 7 DECEMBER 2016*****Extract from Decision Sheet***

Set out below is a summary of the decisions taken at the Executive meeting held on Wednesday, 7 December 2016. The wording used does not necessarily reflect the actual wording that will appear in the minutes.

Members are reminded that, should they wish to call in a decision, notice must be given to Democracy Support Group no later than 4.00pm on Friday 9 December 2016.

If you have any queries about any matters referred to in this decision sheet please contact Jill Pickering, T: (01904) 552061, E: [jill.pickering@york.gov.uk](mailto:jill.pickering@york.gov.uk)

**7. Park & Ride Service Operator Specification**

Resolved: That the Executive:

- (i) Approve Option 2 in the report, noting the increased flexibility that this gives to the Park & Ride operators; and
- (ii) Authorise Council officers to commence a new tendering exercise, at the earliest possible opportunity, to secure an operator for the York Park & Ride service from February 2018.

Reason: To ensure continued operation of the York Park & Ride service and to ensure delivery of the most economically advantageous Park & Ride contract moving forwards.

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**Executive****7 December 2016**

Report of the Corporate Director of Economy and Place  
Portfolio of the Executive Member for Transport and Planning

## **Park & Ride Service Operator Specification**

### **Summary**

1. York has a successful, established, network of Park & Ride services. The Park & Ride provides a seven day, high frequency and high quality bus link from six car parks around York to the city centre and is an essential component of the City's transport strategy, enabling York's vibrant economy.
2. The Park & Ride network is currently let as a single contract operated by 'First York'. A competitive tendering process was undertaken earlier in 2016. Although there was strong interest in the contract, no responses meeting the council's financial expectations against the specification tendered were received.
3. Following approval by the Council's Executive on 13 October, an extension to the current contract has been agreed with First York to operate until 31st January 2018. Further, dialogue with a number of bus companies has been undertaken to better understand issues which prevented their submitting viable bids for the Park & Ride contract.
4. This report presents a number of options for altering the Park & Ride specification to address the concerns of potential suppliers and to increase the likelihood of securing viable bids for the Park & Ride contract.

## **Recommendations**

5. Members are asked to:
  - a) Approve Option 2, noting the increased flexibility that this gives to the Park & Ride operators; and
  - b) Authorise Council officers to commence a new tendering exercise at the earliest possible opportunity to secure an operator for the York Park & Ride service from February 2018.

Reason: To ensure continued operation of the York Park & Ride service and to ensure delivery of the most economically advantageous Park & Ride contract moving forwards.

## **Background**

6. York's Park & Ride network currently operates a 7-day high frequency service from six sites around the City's ring road and has operated for over twenty years.
7. The Park & Ride service is operated on behalf of the Council by First York under a contract which ends 31<sup>st</sup> January 2017. The Council has negotiated a further twelve month extension to the contract with the current operator.
8. Through the recent procurement process potential bidders demonstrated that, whilst strongly interested in the Park & Ride opportunity, they felt unable to meet the Council's financial and quality expectations at the same time as operating the Park & Ride service profitably and therefore either did not bid or submitted non-compliant bids.

## **Consultation**

9. In preparation for the issuance of a further procurement process, the Procurement, Legal, Financial, Property, Transport and Air Quality teams within the Council will all work closely together to ensure that the proposals are aligned to corporate policy and priorities.
10. All of the operators registering interest in the previous (2016) tender were invited to meet with the Council to discuss alterations which could be made to the contract specification to improve its attractiveness to the market. Eight operators took up this opportunity.

11. The key issue identified by the operators was a desire for Council to increase the level of commercial flexibility available for bidders to submit an attractive, unique and viable tender response.
12. Table A below provides a summary of the main issues identified by the operators which, if addressed, would increase their ability to submit a competitive bid. It should be noted that the issues varied from operator to operator and indeed, operators had diametrically opposed views on certain issues (e.g. the Council procuring buses which could then be leased back to the operator).

**Table A**

	<b>Identified issue</b>	<b>Detail</b>
A	Vehicle standards	<ul style="list-style-type: none"> <li>- Investment in Ultra Low Emission buses</li> <li>- Restriction on use of double deck buses</li> </ul>
B	Service capacity	<ul style="list-style-type: none"> <li>- Allowing the bidder to match the bus capacity provided to their anticipated passenger demand and to vary this over the term of the contract</li> </ul>
C	Frequency	<ul style="list-style-type: none"> <li>- Varying frequency of service throughout the day</li> </ul>
D	Fares	<ul style="list-style-type: none"> <li>- Allowing the bidder greater freedom to set the P&amp;R return fare</li> </ul>
E	Routes	<ul style="list-style-type: none"> <li>- Enabling the bidder to link Park &amp; Ride routes together</li> </ul>
F	Park & Ride site supervision	<ul style="list-style-type: none"> <li>- Relaxing the requirement for the presence of a site supervisor at all times</li> </ul>
G	Council policy	<ul style="list-style-type: none"> <li>- Implementing measures to ensure that city centre parking pricing does not undermine the viability of the Park &amp; Ride network</li> </ul>
H	Availability of a bus depot	<ul style="list-style-type: none"> <li>- The council assisting in the identification of sites in the York area which would be suitable for the parking, washing, fuelling and</li> </ul>

		maintenance of buses
I	Park & Ride site maintenance	- De-risking the non-bus operation elements of the contract with which certain of the operators are not so familiar
J	Assistance with bus purchase costs	- ULEVs are more expensive than regular diesel buses. The suggestion was made that the council could assist with the bus purchase costs.
K	Tender the Park & Ride contract as a series of 'Lots'	- This would enable smaller operators, without the capacity to deliver the whole contract, to submit bids for one or more of the routes.

## Options

13. Each of the following options provides a number of items which could be removed or altered from the previous specification. It should be noted that should members decide to remove a number of items (e.g. afternoon site supervision) these could be re-introduced through the optional extras section of the pricing schedule.

### Option 1

<b>Service frequency</b> – Reduce to require services at least every 15 minutes (every 10 minutes currently)
<b>Service capacity</b> – complete market freedom
<b>Vehicle emissions level</b> – do not specify, other than that the operator must provide new buses at contract commencement
<b>Vehicle standards</b> – complete market freedom to determine the bus type (i.e. double / single / bendy bus) used
<b>Fares</b> – complete market freedom
<b>Routes / stops</b> – complete market freedom to determine Park & Ride routes and intermediate stopping points

<b>Supervision</b> – Park & Ride sites to be supervised AM only
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## Option 2

<b>Service frequency</b> – Current, 10 minute, daytime frequency retained
<b>Service capacity</b> – complete market freedom
<b>Vehicle emissions level</b> – ULEV to be specified on 2 routes (or an equivalent number of buses) in the city centre. Priority to be given to Park & Ride routes which best deliver on the Council's air quality objectives
<b>Vehicle standards</b> – complete market freedom to determine the bus type (i.e. double / single / bendy bus) used
<p><b>Fares</b></p> <ul style="list-style-type: none"> <li>- Bidders able to specify an adult return fare of between £2.80 (the current adult return fare) and £3.50 during the life of the contract;</li> <li>- The £3.50 fare would be index linked, such that should a defined basket of industry costs trigger a further increase, this could be implemented;</li> <li>- The fare at contract commencement should not be more than 30p higher than the current adult return fare.</li> </ul>
<p><b>Routes / stops</b></p> <ul style="list-style-type: none"> <li>- All stopping points to be as per the current contract</li> <li>- Park &amp; Ride routes must be separate at contract commencement, but the council will commit to work with the successful bidder to implement cross-city linking of Park &amp; Ride services during the lifetime of the contract.</li> </ul>
<b>Supervision</b> – Park & Ride sites to be supervised AM only but the operator must provide a central supervisor to attend to any issues arising across the network in the afternoon / evening.
<b>Council policy</b> – City centre, council controlled car parking charges will not be <b>reduced</b> during the lifetime of the Park

& Ride contract. Should a future administration determine that car parking charges are to be reduced, the Park & Ride operator, upon submission of evidence to demonstrate the impact on their business

**Park & Ride site maintenance** - The Council will provide bidders with a price to take maintenance responsibility for a range of Park & Ride site equipment / infrastructure to include for instance:

- Car park lighting
- Car park surfaces
- Grounds / landscaping
- Smart ticket machines
- Vehicle and bus electric charging points
- Drainage
- Repairs to terminal buildings exteriors
- Car park winter maintenance

The Council will include an estimated cost for provision of these services in the Invitation to Tender which the successful operator will make a payment to the Council for. The Council will ensure sufficient staffing levels to ensure that these duties are carried out in line with its contractual obligations.

### Option 3

**Service frequency** – Current, 10 minute, daytime frequency retained

**Service capacity** – Current, contractual capacity levels specified

**Vehicle emissions level** – ULEV to be specified on all routes (or an equivalent number of buses) in the city centre and to best address the Council's air quality objectives

**Vehicle standards** – complete market freedom to determine the bus type (i.e. double / single / bendy bus) used

<p><b>Fares</b></p> <ul style="list-style-type: none"> <li>- Bidders able to specify an adult return fare of between £2.80 (the current adult return fare) and £3.50 during the life of the contract;</li> <li>- The £3.20 fare would be index linked, such that should a defined basket of industry costs trigger a further increase, this could be implemented;</li> </ul>
<p><b>Routes / stops</b></p> <ul style="list-style-type: none"> <li>- All stopping points to be as per the current contract</li> <li>- Park &amp; Ride routes may not be linked together</li> </ul>
<p><b>Supervision</b> – Park &amp; Ride sites to be supervised at all times.</p>

### Analysis

14. Each of the options is considered in the section below. A further analysis with an indication given to the likely costs or savings of employing each of the contract modifications is provided at Annex 1 to this report.

### Option 1

15. This option provides maximum flexibility for the bidder to tailor the Park & Ride network as they deem to be appropriate. This approach would allow the bidders to use their commercial flare and experience to ensure that an efficient, attractive network is delivered. Conversely, however, it will remove the Council's ability to influence factors such as the emissions standards of the buses used on the Park & Ride network, leaving any such developments for the commercial market place to determine.
16. The key risk of this option is that the successful bidder could propose to operate a service designed to maximise revenues whilst not focussing so heavily on the Council's desire to maximise Park & Ride usage. It could also, potentially, result in areas currently served by Park & Ride services not being served in the future.
17. Bidders have asked for flexibility to enable them to design a Park & Ride service which they would be prepared to operate. While ceding a significant level of Council control, this option provides bidders with the greatest opportunity to do this.

**Option 2**

18. This option provides a level of flexibility for bidders whilst retaining Council control and influence in a number of key areas. Within certain bounds, the Council would continue to control the fare charged and the frequency of service operated. Alongside reliability of service, these are the two factors which officers believe are most likely drive demand for Park & Ride use.
19. Bidders would also be required to submit a tender which ensured that the emissions standards of Park & Ride buses operating in the city centre were an improvement on current levels, with two routes (or an equivalent number of vehicles) being specified for ULEV operation and the remainder of the Park & Ride network requiring brand new Euro 6 diesel buses as a minimum.
20. This option also seeks to address some of the concerns raised by potential bidders in the recent consultation. One of the concerns expressed was a desire for the Council to take more of an active role in the management and maintenance of the Park & Ride sites. This option proposes that the Council takes responsibility for much of the maintenance of the sites and includes the cost of doing so in the tender. While there would still be a cost for the bidders, it would be a known cost thus ensuring that bidders do not cost an unknown risk element in to their bids.
21. Under this option, the Council would be the bearer of this risk element, however, and would be required to ensure that the Park & Ride sites are sufficiently well maintained.
22. Another of the concerns raised by potential bidders was the lack of control over the Council's actions with regards to city centre car parking charges within its direct control. The impact of price reductions at city centre car parks could result in reduced Park & Ride usage. It is not within the gift of the current Council administration to mandate what future Council administrations might do in respect of city centre parking charges. This option would, however, commit the Council to compensate the Park & Ride operator should it decide to lower city centre parking charges and a reduction in Park & Ride patronage be evidenced to have occurred as a result of such a move.

### **Option 3**

23. This option is the closest to the requirements of the unsuccessful tender earlier in 2016 and retains maximum Council control of the Park & Ride service in all areas except fares. This option would be a means by which a fully ULEV Park & Ride bus fleet might be achieved.
24. This option contains significant risk in that in the absence of grant funding, the delivery of a fully ULEV bus fleet would require a significant increase in Park & Ride fares, potentially causing patronage to decline and negating any air quality and journey time benefits.
25. Members need to consider that this option is the least likely to secure a compliant bid from the market due to the lack of flexibility given to the bidders and the financial expectations placed upon them. However, under options 1 or 2, the scoring of tenders would include an assessment of the proportion of ULEV operation proposed within the bid. A higher proportion of ULEV operation would result in a better score for the bidder.

### **Procurement**

26. Whichever option is selected, for the new Park & Ride contract a fully compliant procurement route will be followed. It is proposed to evaluate the tenders using a Most Economically Advantageous Tender model which would allow cost and quality to be assessed. The details of evaluation model will be agreed with the Commercial Procurement Team and will not exceed a quality to cost ratio of 60/40 in accordance with the financial regulations.

### **Council Plan**

27. The Park & Ride service is a key element of the Council's transport strategy set down in the Local Transport Plan. In addition it supports the Council's strategy to increase the use of public and environmentally friendly modes of transport. Park & Ride also provides the capacity for the City to grow in transport terms to accommodate the emerging Local Plan.

### **Implications**

28. The provision of a successful and efficient Park & Ride service is essential for the continued prosperity of the city and the desire to reduce congestion and improve air quality in the city centre. There are implications across a wide range of areas both within the Council and externally.

## Financial Implications

29. The current Park & Ride contract provides a significant income of £811k per year to the Council. This is prior to additional payments that the council is currently making in relation to Poppleton Park & Ride where usage levels have meant compensation payments of £100k are currently being made.
30. In the previous tendering process, no bids were received that provided an income to the Council. The income anticipated to be received by the Council from the Park and Ride contract is dependent on the level of fares set, quality of specification (principally vehicles and frequency) and competition from city centre car parking (charges and capacity). The impact on the operation of the Park & Ride service (and income to the Council) will need to be considered if any changes are proposed to the operation of the Council's car parks within the city.
31. An extension to the existing Park and Ride contract to January 2018 has been agreed and the financial implications from this extension were considered by Executive in October including a release from contingency of £100k for 2016/17 and recognition that additional resources would need to be identified for 2017/18 as part of the 2017/18 budget process.
32. The recommended option 2 should enable potential bidders to submit compliant bids to operate the service.
33. **Human Resources (HR)** There are no Human Resource Implications for staff employed by the council. It is however likely that if a new operator won the contract staff employed by First would be eligible for transfer to the new supplier under the TUPE Regulations.
34. **Equalities** There are considered to be no equalities implications if the concessionary fares provision is maintained as the existing arrangement. The Park & Ride operations will be compliant with all current Equalities legislation.
35. **Legal** Legal advice has been provided identifying the procurement, contractual and competition issues which need to be addressed. Ongoing legal support will be taken throughout the procurement process.
36. **Crime and Disorder** There are no crime and disorder implications.
37. **Information Technology (IT)** There are no IT implications. The supply of additional equipment to enable the provision of real time

information will be included as part of the extension of the existing Real Time Passenger Information contract. Improvements to the interface with smart ticketing such as online payments will be developed during the contract period.

38. **Property** Draft leases have been prepared for each of the sites.
39. **Other** None.

### **Risk Management**

40. In compliance with the Councils risk management strategy the main risks that have been identified in this report are those which could lead to financial loss, non-compliance with legislation, damage to the Council's image and reputation and failure to meet stakeholders' expectations.
41. The Council will be able to mitigate against these risks, however a decision on the part of the Executive not to agree to extension of the current Park & Ride contract would result in significant risk to the Council and City, both in operational and reputational terms.
42. In addition, the Council faces potential budgetary pressures, should it fail to deliver any revenue from the tender process.

### **Contact Details**

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#### **Chief Officer Responsible for the report:**

**Neil Ferris**  
**Director of Place**

**Report  
Approved**

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**Date**

24<sup>th</sup> November  
2016

#### **Specialist Implications Officer(s)**

Patrick Looker  
Finance Manager  
Tel no. 01904 551633

**Wards Affected:** *List wards or tick box to indicate all*

**All**

**For further information please contact the author of the report**

**Background Papers:** None

**Annexes:** Annex 1 – Options Analysis

**Annex 1 – Table 1: Specification variation items**

	<b>Theme</b>	<b>Detail</b>	<b>Estimated financial implications</b>
1.	Vehicle capacity	Remove minimum capacity required throughout the operating day; provide current hourly capacities as a guide for what might be required; cap the maximum period any passenger should have to wait at sites / stops for their bus – Add in to the performance bond payment.	£130k - £150k per vehicle annual operating cost. On this basis, an operator could potentially save £300k if two buses could be removed from the overall operation.  Reduction in cost resulting from use of single deck instead of double deck / bendy (or indeed, through use of EV)
2.	Frequency	Buses to operate at a minimum of every 15 minutes (potential reduction from every 10 minutes currently)	Reduction of 1-2 peak vehicles per route = up to £1.3m – but with a major deterioration of service.
2.a	Frequency	Retain frequency requirements as per current specification	Neutral impact
3.	Vehicle standards	Withdraw the requirement for Ultra low Emission Vehicles – specify Euro VI minimum  <i>The key issue here is <b>risk</b>. Operators are not greatly familiar with</i>	Vehicle costs (excluding labour)

**Annex 1 – Table 1: Specification variation items**

		<i>the operation of ultra low emission vehicles – it is a developing market. With electric vehicles particularly, operators are concerned that the battery life might not last for 8 years and factor in significant risk for battery replacement.</i>	8 yr capital / maintenance cost: ULEV: £300-500k Diesel: £500–800k Capital cost alone: ULEV: £230–350k Diesel: £150-250k
3.a	Vehicle standards	Ultra Low Emission standard to be delivered in the city centre (Clean Air Zone) on two P&R routes	We estimate this would cost the operator c.£120k
3.b	Vehicle standards	Ultra Low Emission standard to be delivered in the city centre (Clean Air Zone) on all routes	We estimate that this would cost c. £340k p.a.
4.	Vehicle standards	Relax the specification to allow use of double deck vehicles on all routes except for Rawcliffe Bar (low bridge)	Labour makes up c.60% of the cost of bus operation. Efficient use of vehicles is therefore key to the overall viability of operation.  Diesel bendy buses = 3 - 4 mpg  Diesel double decker = 5 - 6 mpg

**Annex 1 – Table 1: Specification variation items**

			Diesel single decker = 7 - 8 mpg
5.	Fares	Give the market complete freedom to determine P&R fares	10p increase in fare = £200k additional income p.a.
5.a	Fares	Allow bidders to specify the fare within a bracket of £2.80 - £3.50	10p increase in fare = £200k additional income p.a.
6.	Routes / stops	Give the market complete freedom to determine the route (and any intermediate stopping points served) by the P&R service in to the city centre	Difficult to quantify financially. Additional patronage from intermediate stops could be offset by negative impact on total P&R passengers put off by slower journey times.
6.a	Routes / stops	Specify the route and permissible intermediate stopping points, but commit the council to a negotiation with the preferred operator to link routes across the city to achieve operational efficiency and increased trip opportunities if: <ul style="list-style-type: none"> <li>i) The operator can demonstrate that they can ensure a punctual service from both P &amp; R sites; and</li> <li>ii) The operator can demonstrate that the P &amp; R route as a whole will have sufficient capacity to cater for overlapping</li> </ul>	Linking services could generate a 2 PVR reduction across the network = £280k

**Annex 1 – Table 1: Specification variation items**

		boarding and alighting passengers in York city centre	
6.b	Routes / stops	Specify the route and permissible intermediate stopping points	Neutral
7.	Supervision	Sites only to be staffed from site opening until 1.30pm. Sites must all be checked and locked at the end of each operating day	Operational saving of £120k p.a.
7.a	Supervision	Sites only to be staffed from site opening until 1.30pm. Sites must all be checked and locked at the end of each operating day. When there is no supervisor present on the site, the operator must provide a P&R network monitoring officer who can contact the drivers, monitor the CCTV and service and who will coordinate a site response as required	Operational saving of £100k
7.b	Supervision	Sites to be supervised during all Park & Ride operating hours	Neutral
8.	Policy	<p>Adopt Council policy committing to:</p> <ul style="list-style-type: none"> <li>a) commit not to reduce Council controlled city centre parking charges without a recompense to the P&amp;R operator if there is a reduction in P&amp;R passenger numbers directly as a result of a Council decision to provide reductions / free price offers on council owned / managed city centre parking</li> <li>b) actively promote the P&amp;R service through improved</li> </ul>	A reduction in city centre car parking charges, coupled with a potential recompense to the Park & Ride operator, would require an additional Council budgetary allocation to be made in the event that such a decision was taken.

**Annex 1 – Table 1: Specification variation items**

		directional road signage and wider marketing and promotional campaigns	
9	Site maintenance	<p>The Council takes maintenance responsibility for various P&amp;R site equipment / infrastructure to include:</p> <ul style="list-style-type: none"> <li>- Car park lighting</li> <li>- Car park surfaces</li> <li>- Grounds / landscaping</li> <li>- Smart ticket machines</li> <li>- Vehicle and bus electric charging points</li> <li>- Drainage</li> <li>- Repairs to terminal buildings exteriors</li> <li>- Car park winter maintenance</li> </ul> <p>The Council will include an estimated cost for provision of these services in the Invitation to Tender which the successful operator will make a payment to the Council for. The Council will employ a member of staff to ensure that these duties are carried out.</p>	<p>This item would, in theory, be cost neutral. The risk for any unknown events on the sites would, however, be borne by the Council.</p>

**Annex A: Table 2 – Specification variation components employed for each option**

Option	Option components	Key outputs
1	1, 2, 3, 4, 5, 6, 7	<ul style="list-style-type: none"> <li>• Significant flexibility for bidders;</li> <li>• Council relaxes control of a number of service elements including stopping points, fares and service frequencies;</li> <li>• Delivery of ULEV at the will of the market;</li> <li>• Site supervision AM only.</li> </ul>
2	1, 2a, 3a, 4, 5a, 6a, 7a, 8, 9	<ul style="list-style-type: none"> <li>• Service frequencies retained at current levels (i.e. every 10mins);</li> <li>• Operator has greater but not complete control over fares levels;</li> <li>• Delivery of ULEV in the City Centre on two Park &amp; Ride routes (or the equivalent number of vehicles);</li> <li>• Stopping points fixed; routes may be varied during the contract period subject to dialogue and agreement by the Council;</li> <li>• Site supervision AM only, but with a central controller to address service / customer issues;</li> <li>• Council to adopt its parking policy to best ensure that the Park &amp; Ride operator is protected from any decision to reduce city centre parking charges;</li> <li>• Council to take the risk and responsibility for maintenance of the Park &amp; Ride sites.</li> </ul>
3	1, 2a, 3b, 4, 5a, 6b, 7b	<ul style="list-style-type: none"> <li>• Service frequencies retained at current levels (i.e. every 10mins);</li> <li>• Operator has significant control over fares levels;</li> <li>• All routes and stopping points are specified by the Council;</li> <li>• Delivery of ULEV in the city centre on all Park &amp; Ride routes;</li> <li>• Supervision of Park &amp; Ride sites throughout the operating day.</li> </ul>