

CABINET

4 APRIL 2017

TRANSFER OF INFORMATION CENTRE FUNCTION AT CHATHAM WATERFRONT WAY BUS STATION TO MEDWAY NORSE

Portfolio Holder: Councillor Phil Filmer, Front Line Services
Councillor Adrian Gulvin, Resources

Report from: Richard Hicks, Director of Regeneration, Culture,
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Transport

Summary:

This report recommends the transfer of the Information Centre function at the Chatham Waterfront Way Bus Station to the council's joint venture company, Medway Norse, to enable the service to achieve savings and service efficiencies.

1. Budget and Policy Framework

1.1 Cabinet agreed the establishment of the Medway Norse joint venture company at its meeting on 12 March 2013. In approving the establishment of the joint venture, Cabinet agreed to the principle of adding further facilities management services, subject to agreeing a business case for such additions. The scope of the Medway Norse Joint Venture has, over time, with the agreement of Cabinet and Norse Commercial Services, extended well beyond facilities management to a range of other 'blue collar' services, including grounds maintenance, transport and waste facilities. The approval of transfer of relevant services to the joint venture remains a matter for Cabinet.

2. Background

2.1 Part of the original Facilities Management contract covers the cleaning and operation of the Chatham Waterfront Way Bus Station (CWBS) facility. There is an opportunity to extend this arrangement to cover all aspects of bus station operation by including the provision of information and ticket sales at the CWBS Information Centre within the facilities management contract.

3. Options

3.1 The business case set out in the Exempt Appendix contains a range of options for the future delivery of the services.

3.2 Cabinet can:

- Retain the service as is, though this will require a further tender process in order to commission the service with a new external contractor. To date, two tender processes have already been undertaken; the first process produced a single bid, the second included bids that required further investigation.
- Agree the transfer of the service to Medway Norse.

4. Advice and analysis

4.1 During the consideration of the second round bids, officers considered whether, as an alternative, the Information Centre could be operated by Medway Norse. They had not been involved in any of the previous tenders.

4.2 The transfer of the Information Centre operation to Medway Norse will achieve better alignment of services and achieve efficiencies, which in turn will provide better value for money for Medway's residents. It is anticipated that the transfer will take effect from 1 June 2017 subject to necessary service transition activities.

5. Risk management

5.1 The following risks and mitigating measures have been identified.

Risk	Description	Action to avoid or mitigate risk	Risk rating
Transfer of ticketing equipment	The incumbent service provider owns the ticketing equipment in place for the service.	Officers have previously agreed with the incumbent that should there be a change of service provider the ticketing equipment will be left and maintained for the benefit of the new provider. Officers will revisit this agreement accordingly.	Low
Challenge on previous tender	Two previous tender processes to renew this service did not produce an award of contract. This might be challenged by the suppliers that tendered.	Both tender processes were evaluated and scored in full accordance with the tender instructions. Officers have prepared feedback for all suppliers who tendered should this be required. The Council retains the right in its tenders not to award a contract.	Med

6. Financial implications

6.1 The Bus Station departure charge paid by all operators who utilise the facility for services (raised to £0.80 per departure on 1 April 2017) fully covers all

service costs for operating the bus station facility. The proposal from Medway Norse marks a slight increase on previous annual costs, but represents an overdue rate of inflation rise on the costs of the facilities management at the bus station.

7. Legal implications

- 7.1 The incumbent staff will be entitled to transfer to Medway Norse under TUPE regulations. Updated TUPE information will be requested from the incumbent as part of the service transition plan.

8. Recommendation

- 8.1 Cabinet is asked to approve the inclusion of information services and ticket sales at Chatham Waterfront Bus Station Information Centre facility within the Facilities Management contract with Medway Norse.

9. Suggested reasons for decision(s)

- 9.1 Combining the Information Centre service with the facilities management service already provided by Medway Norse will ensure that operation of the Bus Station facility is more efficient. Combining the services will also provide Medway Norse with the opportunity of reviewing and streamlining the service to achieve further efficiencies. Medway Norse also have a good range of customer service trained staff who will be able to add additional value to the Information Centre service.

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Appendices:

Exempt Appendix – Business Case: Transferring Bus Station Information Centre Function to Medway Norse

Background Papers:

None