Nottingham Cycle City Ambition Programme

BUSINESS CASE – COMMERCIAL CASE

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CONTENTS

		Page
1	INTRODUCTION	1
2	CAPABILITY AND SKILLS OF THE NOTTINGHAM DELIVERY TEAM	2
3	PROCUREMENT STRATEGY	3
4	ACHIEVING VALUE FOR MONEY	5
5	RISK ALLOCATION AND TRANSFER	6
6	CONTRACT TIMESCALES AND IMPLEMENTATION TIMESCALES	7

1 INTRODUCTION

1.1 The purpose of the commercial case is to provide evidence of the commercial viability of the proposals and set out the intended approach to procurement.

1.2 The commercial case sets out:

- Capability and skills of the Nottingham delivery team;
- Procurement strategy;
- Achieving Value for Money
- Risk allocation and transfer;
- Contract timescales and implementation timescales.

2 CAPABILITY AND SKILLS OF THE NOTTINGHAM DELIVERY TEAM

2.1 Nottingham City Council has a proven track record for the delivery of sustainable transport schemes through effective partnership working with a range of organisations across the public, private and third sectors. These will be brought to the NCCAP programme, with an experienced officer (Transport Strategy Manager) overseeing the programme, with a Senior Transport Planner with responsibility for cycling responsible for coordinating day-to-day delivery in collaboration with the Council's Major Projects Team (project management support). They will work closely with a range of people from within the City Council and from other partner organisations, in line with the partnership delivery model being used for our LSTF programme.

2.2 Evidence of successful partnership delivery includes:

- With other local authorities through joint delivery of cross boundary LTP projects (typically joint maintenance, local highway improvements, public transport, footway and cycleway schemes, and Liftshare car share scheme);
- With private sector organisations through:
    - delivery of major infrastructure projects including Nottingham Express Transit Line One; the development of NET Phase Two; the Nottingham Station Hub £900,000 investment with East Midlands Trains; a multi million pound upgrade of Nottingham's canal and river paths (The Big Track) in partnership with Canal and Rivers Trust (formally British Waterways) and the neighbouring Borough Councils; and
    - securing funding support from the private sector for Worklink bus services and the award of sustainable travel grants for private sector employers to support sustainable transport measures;
- Through formal partnerships such as:
    - the pioneering conurbation-wide Big Wheel marketing programme;
    - travel planning and smarter choices measures via the Greater Nottingham Transport Partnership;
    - coordinated bus improvement schemes with operators through Bus Quality Partnership arrangements; and
    - speed enforcement and delivery of road safety schemes through the Nottinghamshire Road Safety Partnership;
- With the third sector such as:
    - delivery of the UCycle national demonstration project in partnership with the sustainable transport charity Sustrans;
    - cycle training with the Ridewise social enterprise; and
    - bicycle recycling scheme via the Framework Housing Trust.

2.3 These examples demonstrate knowledge and relevant experience of delivery of both infrastructure and service improvements.

3 PROCUREMENT STRATEGY

3.1 NCCAP is tightly focussed on delivering cycle infrastructure improvements that have been designed in consultation with the communities involved, and then promoting use of the new infrastructure through smarter choices and marketing activities.

3.2 In light of this, the procurement strategy is a simple one, as outlined in Table 3.1. This is based on our assessment of alternative procurement options in terms of minimising delivery risk and achieving best value for money. These include:

- In-house/direct;
- Through a partnership organisation;
- Building on existing contractual arrangements and Framework Agreements (established through previous competition); and
- Competitive tendering.

3.3 These options are allocated to different aspects of scheme delivery in Table 3.1, which also includes illustrative examples of how these procurement routes have been tried and tested on existing projects.

Table 1: Proposed procurement strategy

NCCAP element	Proposed Procurement Route	Existing Practice Examples	Comment
Planning and engineering design of all cycle infrastructure	In-house, with Third Party design review input from Sustrans.	• Delivery of LTP cycling, pedestrian and small scale highway infrastructure schemes. Small scale (non-major) infrastructure schemes are designed in-house.	As a fallback, other design capacity can be brought in if required through existing Framework agreements.
Community engagement in design and implementation process	In-house and through Partner organisations, using the Community Hubs that are being established under the Nottingham LSTF programme. Input from local cycle interest groups through the Cycle Development Group such as Pedals, CTC and Sustrans.	• Delivery of UCycle programme coordinated by Sustrans sustainable transport charity • Cycle training provided by Ridewise social enterprise • RCAN wheels to work programme	As a fallback, other local community engagement skills can be brought in through tendering.

Construction and construction management	Existing Contractual Arrangements and Framework Agreements	• All small scale (non-major) infrastructure schemes are constructed by the authority's Direct Labour Organisation, procured through a Highways Framework Contract which is reviewed biennially to ensure value for money is maintained.	As a fallback, other construction capacity can be brought in if required through other existing Framework agreements.
Signing and ancillary off-highway works	Tendering	• Routinely used for similar work.	
Marketing and promotion of new infrastructure	In-house and through Partner organisations (eg. GNTP), using the established marketing and smarter choices mechanisms.	• Big Wheel marketing transport programme and events coordination via Greater Nottingham Transport Partnership • LSTF programme	Additional specialist expertise can be brought in through tendering route if needed.
Any elements beyond the City boundary	Nottinghamshire County Council to deliver through established arrangements	• Existing local cross-boundary transport partnership projects including the Big Track, commuter corridors, and NET Phases 1 and 2.	Existing resources can be bought in through existing framework arrangements or through tendering

4 ACHIEVING VALUE FOR MONEY

4.1 In support of programme delivery and to support value for money, assistance and guidance will be sought using the Core City Network and Midland Highway Alliance partnership. Programme delivery will be informed by best practice from elsewhere. This has proved invaluable to projects such as UCycle where it has been possible to learn from an existing University cycle loan scheme example already operational in Leeds to allow the largest student bike loan scheme in the country to now be established in Nottingham within a very short period of time.

4.2 The authority has a strong commitment to sharing of experience and good practice with other authorities and delivery agencies with the opportunity to link our experience with the implementation of the UK's first Workplace Parking Levy scheme which is of considerable interest to a growing number of local authorities both in the UK and further afield.

4.3 The City Council has a developing arrangement with Leicestershire County Council under the East Midlands Shared Services Agreement to provide shared financial monitoring and human resources services. This will provide significant benefits throughout the delivery of the programme through the development of a more efficient financial system to control ordering, purchasing and payments.

4.4 Nottingham City Council will be responsible for all financial management, monitoring and authorisation of all transactions and contractual arrangements between internal and external organisations to ensure compliance with all relevant legal and financial regulations relating to the procurement and commissioning of goods and services.

5 RISK ALLOCATION AND TRANSFER

5.1 We have given careful consideration to risk allocation in formulating the delivery plan for NCCAP. In general, financial and delivery risk has been retained in-house by the City Council, as we are best able to deal with unforeseen events through the various Framework agreements we have in place with contractors and other service providers. This is particularly important in a programme where delivery deadlines are tight and programme managers may need to respond quickly to meet the delivery imperative.

6 CONTRACT TIMESCALES AND IMPLEMENTATION TIMESCALES

6.1 The procurement strategy is such that the main critical path elements of delivery are already covered by in-house design, by existing Framework arrangements, and by existing partnership arrangements. As shown in the programme Gantt Chart in the Management Case, this means that there are no prolonged contractual processes to go through to deliver the programme, minimising delivery risk.