

# Countywide Bus Shelter Project

## Prospectus

### Mission statement

*Our mission is to make Essex a great place to live and work by bringing together and delivering a sustainable and quality bus infrastructure network across Essex that provides consistency of experience for users, is commercially focussed and future proofed.*

### Vision

In partnership with District, Borough and City councils, our vision is to scope and implement a long-term Essex-wide contract, led by a single supplier, which incorporates all maintenance, replacement and supply of shelters and the generation of advertising income.

This vision would support delivery of our mission statement and contribute to wider strategic aims to create a better quality environment and to increase bus patronage, to the benefit of all our residents.

### Current situation

Bus shelter provision across Essex is patchy, involves mixed ownership and any maintenance tends to be reactive only.

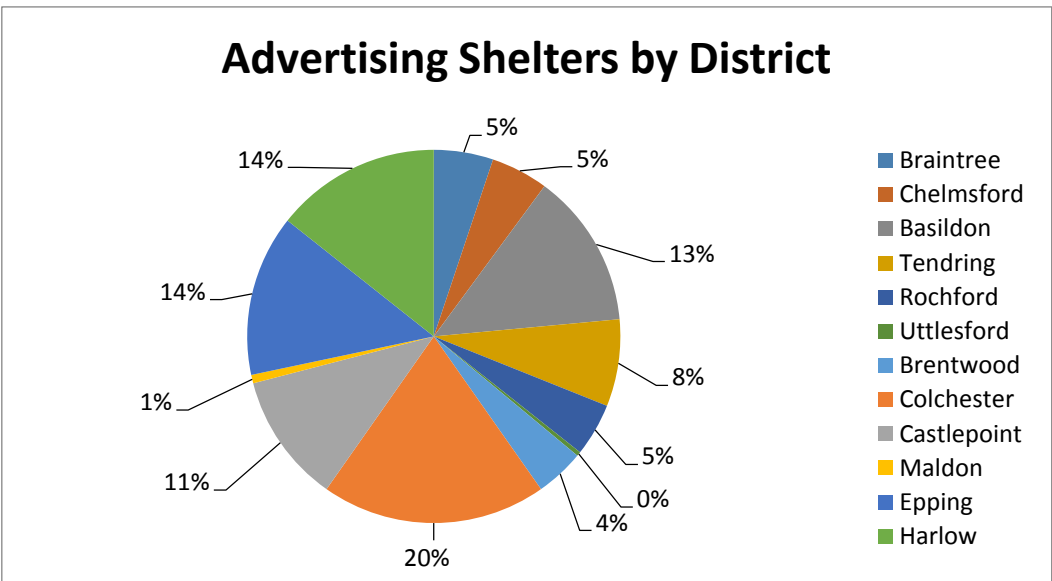
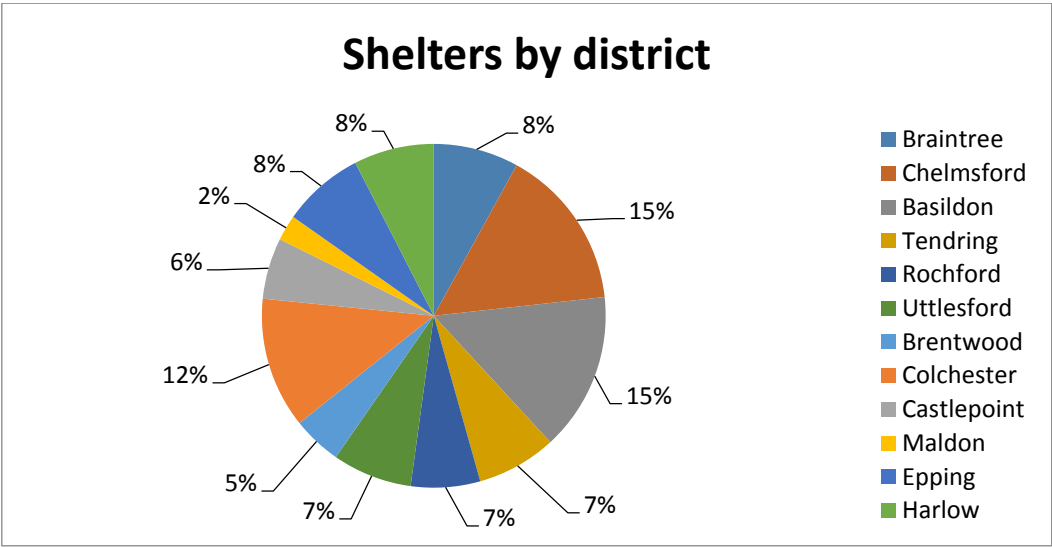
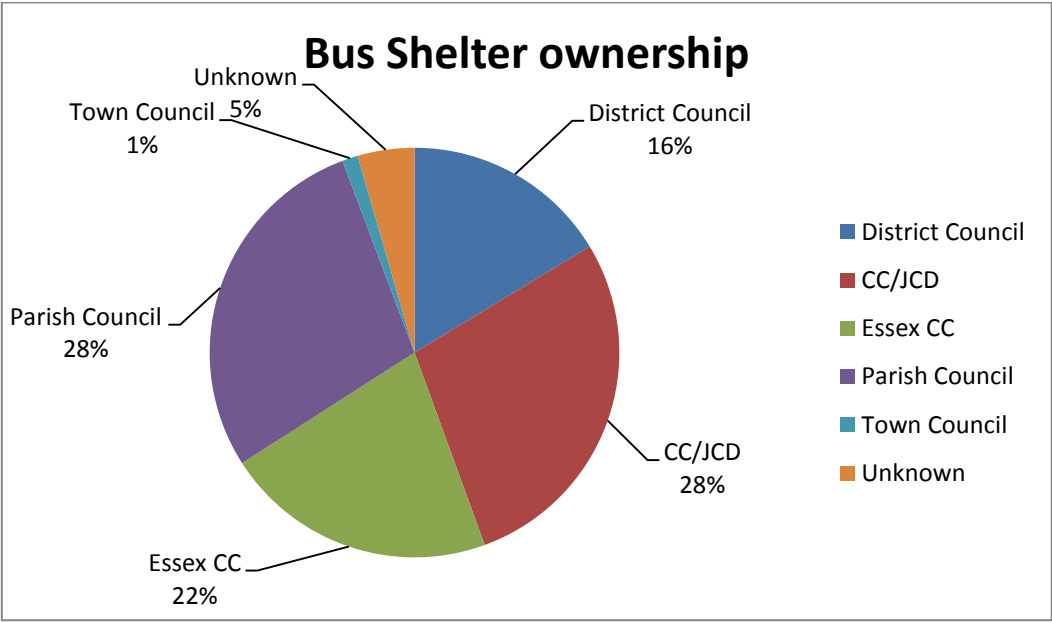
To our residents there is lack of clear accountability, in terms of who owns which shelter, leading to frustration and blurred lines on how to report issues.

In the most recent national Transport Focus survey, the results for Essex showed that we scored lower on every bus stop satisfaction indicator compared to other similar authorities' average figures.

The bus shelter market is one that is dominated by two large suppliers – JC Decaux and Clear Channel. Across the country, they own the majority of large urban city and town contracts for the provision of advertising shelters. Within Essex, this is no different. This type of contract was typically let in the 1990's or early 2000's

Across the county, these contracts are often weighted in favour of JC Decaux or Clear Channel, with little or no benefit to the owning Council, yet millions of pounds are being made by the supplier.

On the next page, we have included a number of charts to illustrate the current view:



## Guiding principles to deliver the vision

We believe there is a significant opportunity to re-balance the picture, by bringing together the bus shelter estate to generate sufficient income to cover all costs and continually re-invest in the network for our residents.

In doing so, and to guide this project as it progresses, we propose a set of principles to follow:

- All income generated from the contract would be ring-fenced to invest and maintain the upkeep of the bus infrastructure network
- To provide a significantly enhanced bus stop experience for users which improves the visual quality of people's environment; under one overarching Essex-wide brand
- Digital by default – where it makes commercial sense to do so
- To rationalise our collective estate and reduce street clutter
- A rolling replacement and upgrade programme throughout the contract life; to a set and consistent standard (e.g. solar-power, Wifi, real-time passenger information screens etc.), with a view to increasing shelter provision Essex-wide
- At minimum be cost neutral (compared to the current collective position), but aspiring to deliver savings to existing budgets

We believe these are a sound set of principles on which to base our joint-working.

## Intended benefits

Taking a collaborative approach to this project, we intend to achieve the following benefits from this venture:

- Residents have a consistent and improved experience of using buses, starting with the bus stop
- Asset ownership is clarified for Council's and residents
- Income is generated from the Bus Shelter estate and real-time passenger information system to invest in the network and reduce or eliminate the costs currently encountered by us all (whether financial or opportunity costs)
- We can rationalise the estate and remove the varying, nonsensical scenarios where there are 3 – 5 pieces of infrastructure in the same location which are not integrated.

- A modernisation of the estate – bringing shelter provision into the 21<sup>st</sup> century with Wifi, solar-power lighting and digital screens
- Potential to expand Bus Shelter provision across the County into areas where we know residents currently have no protection from the elements

### Proposed Model

We propose that we all enter into a partnership agreement for this project, covering our responsibilities, shared objectives and the decision-making process throughout the life of the venture.

This would be between Essex County Council and all 12 District/Borough/City council's in Essex. Essex County Council would be the contract owner and lead on this aspect, including the procurement and contract management of it. For clarity, the list of partners would be:

- Basildon Council
- Braintree District Council
- Brentwood Borough Council
- Castlepoint Borough Council
- Chelmsford City Council
- Colchester Borough Council
- Epping Forest District Council
- Essex County Council
- Harlow Council
- Maldon District Council
- Rochford District Council
- Tendring District Council
- Uttlesford District Council

This model is one that currently exists for the real-time passenger information system, which is a partnership agreement between Essex County Council, Southend Borough Council and Thurrock Council; with Essex County Council as the contract owner.

### Contract options and preference

There are three potential options on how to deliver this contract, throughout which two consistent themes are present in all – namely; any contract must run for at least 10 years for viability and that the advertising element will be delivered externally.

The three options are:

1. **Minimum-Income-Guarantee (MIG)** > Contract awarded to the supplier who can guarantee us the most income annually from the estate ('As-is' style of contract from JC Decaux/Clear Channel).
2. **Hybrid Contract** > All the benefits of a partnership arrangement but with the security of a MIG. The MIG would be lower than Option 1, but would provide a platform to aspire to greater income targets by working together.
3. **Partnership** > All costs and income from the contract are shared between the Council and the supplier, on an open-book basis.

We feel that a new approach to this market is necessary, with some guarantee of income to avoid any partner being saddled with all of the costs. Therefore, our preference at this early stage is Option 2 – a Hybrid Contract.

### Summary

We firmly believe there is an opportunity not to be missed here and what a positive story it could be – with the County Council and all 12 District/Borough/City Council's working together to achieve a fantastic outcome for our residents.

In terms of next steps, from the initial project working group meeting, there are a number of actions for us all to complete.

The key outcome from this prospectus is to enable socialisation with key senior officers and members within your organisation and to subsequently achieve your buy-in to proceed with the project.

We ask that all Council's respond accordingly to us no later than the 25 January 2019 on this point.