

Appendix 1

Other Options Considered

Option 1.

The option to extend the existing JCDecaux contract was rejected as the tender exercise allows for bus shelters to be upgraded and replaced as required and it provides an opportunity to upgrade the contract to provide an increased income stream to the Council through new investment in digital advertising panels on both CIPs and bus shelters were appropriate.

Option 2.

The option to complete a joint procurement exercise and have a joint contract with Nottinghamshire County Council for the provision of bus shelters and CIPs was rejected. Discussions took place with Nottinghamshire County Council colleagues to try and establish whether there would be an overall net benefit to undertaking a joint procurement exercise.

The County Council have a contract, with a different supplier to the City Council, for the supply of advertising and non-advertising bus shelters that is due to expire on 31st May 2025, which is 5 months after the City Council's contract expires. The County Council contract does not include free-standing advertising units and they have no such contract for that kind of asset with any other supplier.

The initial benefit of a joint procurement would be to achieve a uniform look for the Robin Hood Network branded Greater Nottingham Bus Partnership area and maintain consistent high-quality standards across this key public transport network area. Resources could have been pooled to deliver the procurement more efficiently and to potentially increase the financial outcome for both Councils. However, upon further investigation and discussion amongst Council officers, suppliers and impartial advice from an advertising consultant, this option was rejected for the following key reasons:

Having Robin Hood Network branding and a consistent high-quality standard of waiting facilities is still perfectly achievable should either Council procure independently.

There would be a guaranteed change of supplier as each Council has a different incumbent supplier, which would result in a definite demobilisation process and the added upheaval that this would bring, which would include constant disruption to different areas of the respective Council areas over a potential period of three years.

The existing contracts end five months apart, which adds a further complication in terms how that could be dealt with in a mutually acceptable fashion.

The City Council possesses the potentially more attractive advertising bus shelter sites and has the free-standing units. This could potentially mean the City Council not maximising its own opportunities from a financial viewpoint.

There would be an increasing number of stakeholders to engage with and it could be difficult politically to procure jointly. Officer views may also vary by authority and could lead unresolvable disagreements over how the tender process is undertaken.

The County Council may choose to consider extending their existing contract arrangements.

Option 3.

The option to have separate contracts for the supply of shelters and maintenance from the advertising element was rejected as this option would involve buying, rather than leasing bus shelters and CIPs. Some local authorities purchase and own their own non-advertising shelters, but this requires much capital investment upfront. Advertising shelters are usually leased via an advertising concession contract, with the media owner managing the advertising on them.

Separating the supply of non-advertising shelters and advertising shelters would mean certain upheaval and added risk to the Council as there would be a definite need for a new supplier as our incumbent supplier only bids for contracts that include advertising. It would also require significant upfront capital expenditure and additional contracts to manage, in addition to potentially having to deal with a third supplier if the incumbent did also not win the bus shelter with advertising tender. The Council does not possess the necessary internal resources to maintain the non-advertising or advertising shelters. The advertising concessionaires have years of experience, expertise and a high number of regular advertising clients that highly trust and value their services. A local authority would not have the resources, experience or reputation to match their performance and there would be much less potential reward for a very high-risk strategy.

Another consideration was whether existing shelters could be purchased. However, the incumbent has stated that their policy is that they can only provide the shelters if they hold the advertising concession contract and can maintain the shelters themselves. As a general stance, they do not permit other contractors or in-house Council teams to maintain their branded shelters to ensure they have sole responsibility for their own reputation.

Option 4.

The option to do nothing was rejected as there is a requirement for shelters and CIPs once the current contract expires. Additionally, doing nothing would mean missing out on an opportunity to generate greater income for the Council.