

**REPORT TO:** CITY DEVELOPMENT COMMITTEE – 23 May 2011

**REPORT ON:** RENEWAL OF PUBLIC TRANSPORT INFORMATION SYSTEMS MAINTENANCE AGREEMENTS

**REPORT BY:** DIRECTOR OF CITY DEVELOPMENT

**REPORT NO:** 258-2011

## **1 PURPOSE OF REPORT**

1.1 This report seeks the approval of the Committee to replace and upgrade unreliable and life-expired real-time information equipment and extend maintenance agreements with existing suppliers.

## **2 RECOMMENDATION**

2.1 It is recommended that the Committee:

- a approves the purchase of real-time information display equipment supplied by ACIS at a capital cost of approximately £75,000.
- b approves the extension of maintenance agreements with the following suppliers:
  - i) ACIS - approval of a 3 year contract extension from FY2011/12 with a further option to renew for years 4 and 5 based on satisfactory performance.
  - ii) SDG - approval of a two year contract extension from FY2011/12.
  - iii) RSL - approval of a 1 year contract extension for FY2011/12 with a further option to renew for year 2 based on satisfactory performance and operational requirements.

## **3 FINANCIAL IMPLICATIONS**

3.1 The City Development Department has made provision to fund the replacement of real-time information displays using funding of £75,000 from the TACTRAN capital budget.

3.2 The City Development Department has an existing revenue budget to fund the on-going maintenance of public transport information systems.

3.3 The rationalisation of the public transport information systems will reduce the annual revenue spend to £127,927 in financial year 2011/12 and yield ongoing savings of approximately £69k per annum.

## **4 BACKGROUND**

4.1 As part of the Bringing Confidence to Public Transport project (2002 – 2005) and then the Smartbus initiative (2003 – 2006), Dundee City Council has invested significant sums in the provision of real-time and electronic bus information in the city. The Council is now looking to restructure the role of the three existing suppliers

VIX ACIS (ACIS), Region Services Limited (RSL) and Steer Davies Gleave (SDG)) and rationalise their respective roles while renewing the oldest and increasingly unreliable on-street equipment installed in 2003 (City Centre and Ninewells Hospital Departure Boards), as well as securing an improved service and lowering overall maintenance costs.

- 4.2 ACIS are the current supplier of a proprietary real-time information system to Dundee City Council. The Council seeks to purchase replacement display equipment from ACIS at a capital cost of approximately £75k and then enter into an extended maintenance agreement until 31 March 2014 to support the real-time infrastructure in Dundee. There are savings to be made by incorporating the new display equipment into a revised maintenance agreement that covers both new and existing equipment. Investing in new equipment supplied by ACIS will increase long-term maintenance (revenue) costs to £86,352 per annum.
- 4.3 Real Time Passenger Information is an important element of the TACTRAN Regional Transport Strategy and the robustness of this system is essential. In addition to the provision of information in Dundee, the system is integral to the delivery of public transport information provided by Angus Council, as well as Dundee bound bus services from Perth & Kinross and Fife Council areas. There are also operational commitments relating to the Dundee and Angus Bus Punctuality Partnership Improvement Partnership.
- 4.4 Dundee City Council, Angus Council, TACTRAN and Traveline Scotland are leading the way in Scotland with delivery of the most comprehensive real time information to smart phones (for people on the move) via the NextBuses.mobi service and this service also relies on the ACIS system.
- 4.5 SDG are the suppliers who worked with Dundee City Council to deliver improved 'at-stop' information and develop the dundeetravelinfo website. In 2010, significant work was undertaken to reformat the website and reduce the reliance on third party suppliers. As a result, the on-going maintenance costs have reduced by approximately 50%. DCC wishes to extend its contractual maintenance arrangement with SDG through to 31 March 2013. An annual cost of £31,000 has been agreed for the two year extension.
- 4.6 RSL will continue to maintain the city's journey planner kiosks. A maintenance agreement with RSL will be renewed until 31 March 2012 with an option to extend this to March 2013. The annual cost of £10,575 has been agreed.
- 4.7 When taken together, the restructuring is likely to save approximately £69k per annum when compared with expenditure in FY2009/10 (an approximate 35% saving on third party payments).
- 4.8 The table below shows historic and future revenue costs on the restructured information systems over a five year period.

	FY2009/10	FY2010/11	FY2011/12	FY2012/13	FY2013/14
<b>RSL</b>	£50,000	£35,925	£10,575	£10,575	
<b>ACIS</b>	£82,965	£82,965	£86,352	£86,352	£86,352
<b>SDG</b>	£64,238	£43,659	£31,000	£31,000	
<b>TOTAL</b>	£197,203	£162,549	£127,927	£127,927	N/A

**5 POLICY IMPLICATIONS**

- 5.1 This Report has been screened for any policy implications in respect of Sustainability, Strategic Environmental Assessment, Anti-Poverty, Equality Impact Assessment and Risk Management. There are no major issues.

**6 CONSULTATIONS**

- 6.1 The Chief Executive, Depute Chief Executive (Support Services) and Director of Finance have been consulted and are in agreement with the contents of this report.
- 6.2 The Council's Legal Manager has reviewed these proposals in the context of procurement regulations and has concluded that there are legitimate technical reasons to extend the maintenance agreements as described above through a negotiated procedure.

**7 BACKGROUND PAPERS**

- 7.1 Committee Report 265-2007 Ongoing Maintenance of Public Transport Information Systems.
- 7.2 TACTRAN Regional Transport Strategy.

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