

Bus Shelter Delivery

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Scrutiny (Streets & Environment sub-committee) presentation

Agenda

1 – Background

2 – Proposal

3 - Options considered

4 - Impact

5 – Options Appraisal

6 – Recommendation



1. Background

The small format digital advertising contract that included the provision of the bus shelters was awarded on 11 August 2020 to Valo Smart City UK following a competitive procurement exercise.

The contract was due to commence on 1 April 2021 and covered all out of home advertising (OOH) within the borough. Included within this contract was a requirement to provide 'smart' bus shelters and associated advertising.

The outcomes regarding shelters sought from this contract were:

- To create an integrated network of shelters providing interactive travel information, air quality monitoring, footfall data, phone charging and wifi hot spot.
- To derive income from a strategic approach to digital advertising.

For reasons of non-performance the contract with Valo Smart City UK was terminated in October 2023 resulting in:

- **No bus shelters being installed.**
- **No out of home digital advertising installed.**
- **No income was derived from the contract.**



2. Recommended Proposal

- Allow TfL to provide the shelters for their bus network across the borough.

Rationale

- Financial risk of self-delivery is £2.5m – proposal eliminates this risk
- Recent history of partner non-delivery
- Not a 'Core' council function. TfL are experts in bus shelter delivery, the council is not.
- Reduction of 'non core' activity is in line with council direction of travel
- The potential revenue received from advertising is insufficient to offset the risk of provision



Trueform Landmark Shelter



Landmark London

- Available in a range of configurations & sizes
- Modular, flexible & innovative design & construction
- Contemporary architectural aesthetics & detailing
- Engineering grade construction & materials
- Future proofed & technology enabled
- Incorporates Intelligent, electronic transport hardware
- Optimum passenger protection, comfort & safety
- Ultimate transport marketing platform
- Robust and vandal resistant
- Range of high grade material & finish options for long lasting performance
- Quick release yet tamperproof features for rapid maintenance
- Compliant with BSI structural standards & regulations
- Fully DDA & ADA compliant
- Ability to accept RTP1 displays, CCTV, audio PA, solar, kiosks and other advanced information systems
- Range of foundation and installation options available
- Range of glazing materials and options available
- Special 'shock absorbing' glazing retention system
- The choice of many major Cities



3.Options considered

5 options were considered as part of the assessment:

1. **Do nothing** – Not seriously considered due to negative impact on network utilisation with subsequent impact on congestion, carbon targets and city centre utilisation.
2. **10 year open tender concession contract** – Lack of market appetite for a contract of this duration.
3. **15 year open tender concession contract** – A contract of this duration would mean each contract iteration would be impacted by capitalisation costs of new shelters thus reducing council advertising returns to a level where risk outweighs return.
4. **LBC capitalisation** – delivery partners for maintenance, cleaning & advertising – Capital required c£2.5m, and multiple delivery partners would add to the indebtedness of the council and would require significant contract management input
5. **TfL delivery option** – Preferred option placing the risk of delivery with the organisation best placed to manage. Key negative is loss of control of the sites and the small advertising return.

4. Impact

- London Borough Croydon (LBC) will no longer have responsibility or risk for any bus shelters in the borough including planning, provision, replacement, maintenance, cleaning & advertising
- TfL will provide their 'Landmark' shelters. The shelters are fully DDA and ADA compliant, vandal resistant and have the capability to accept RTPI, CCTV, audible PA, solar, kiosks and other advanced information systems.
- LBC will receive no share of any advertising revenue any revenue will be used to maintain the shelter or reinvested by TfL into the transport network
- The council can progress with the procurement process for the remainder of it's advertising estate such as the out of home advertising (OOH)



Next Steps

- Scrutiny – 22 July 2024
- Cabinet Approval – 24 July 2024
- TfL formal agreement – 31 August 2024
- Mobilisation & planning – Commenced Sept 2024

