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Planning

## **Greater Manchester Bus Franchising**

Greater Manchester Combined Authority

F04: Periodic indicative notice – utilities

Periodic indicative notice only

Notice identifier: 2021/S 000-018957

Procurement identifier (OCID): ocds-h6vhtk-02d17c

Published 5 August 2021, 6:06pm

### **Section I: Contracting entity**

#### **I.1) Name and addresses**

Greater Manchester Combined Authority

Tootal Buildings, 56 Oxford Street

MANCHESTER

M1 6EU

#### **Contact**

Joe Thompson

#### **Email**

[joe.thompson@tfgm.com](mailto:joe.thompson@tfgm.com)

#### **Country**

United Kingdom

#### **NUTS code**

UKD3 - Greater Manchester

**Internet address(es)**

Main address

[www.greatermanchester-ca.gov.uk](http://www.greatermanchester-ca.gov.uk)

**I.3) Communication**

The procurement documents are available for unrestricted and full direct access, free of charge, at

<https://procontract.due-north.com>

Additional information can be obtained from the above-mentioned address

**I.6) Main activity**

Urban railway, tramway, trolleybus or bus services

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**Section II: Object**

**II.1) Scope of the procurement**

**II.1.1) Title**

Greater Manchester Bus Franchising

**II.1.2) Main CPV code**

- 60112000 - Public road transport services

**II.1.3) Type of contract**

Services

**II.1.4) Short description**

General

In accordance with the provisions of the Transport Act 2000 (as amended by the Bus Services Act 2017) and having followed the legislative procedure set out within the same,

the Mayor of Greater Manchester decided on 25th March 2021 to introduce a bus franchising scheme for the entire Greater Manchester Combined Authority ('GMCA') area.

The GMCA will be the contracting entity and the bus franchising scheme will be overseen and managed by Transport for Greater Manchester ('TfGM'), including the procurement of franchise operators, on behalf of the GMCA.

## Passport System

TfGM has established a Passport System by which Potential Suppliers can pre-qualify so that they can bid for Greater Manchester Bus Franchises.

Potential Suppliers who wish to apply to become a Passport Holder are required to provide a submission in accordance with the Passport Selection Questionnaire, and should do so with reference to the Passport Process Document which provides further detail on the application process and requirements. These can be found on the Pro-Contract E-Tendering portal (<https://procontract.due-north.com/register>)

For the avoidance of doubt, only those potential Suppliers who have successfully obtained a Passport (and therefore become a Passport Holder) will qualify to participate in the subsequent stages of the procurement. To successfully qualify a potential Supplier must achieve the criteria set out in the Passport Selection Questionnaire.

### **II.1.6) Information about lots**

This contract is divided into lots: No

## **II.2) Description**

### **II.2.2) Additional CPV code(s)**

- 60000000 - Transport services (excl. Waste transport)

### **II.2.3) Place of performance**

NUTS codes

- UKD3 - Greater Manchester

### **II.2.4) Description of the procurement**

General

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## The Franchise Network and Packaging Strategy

### Franchise Network

- The bus network in Greater Manchester comprises circa 2000 buses delivering circa 620 local services and school services which have a PVR of circa 300.
- With a few limited exceptions, all local bus services provided within Greater Manchester will be provided under franchise contracts.

### Packaging strategy

- The franchise network will be split into a number of franchises. At the outset of franchising it is anticipated that there will be 10 large franchise packages ('Large Franchises') and 25 small franchise packages ('Small Franchises').
- Large Franchises will have a peak vehicle requirement of a minimum of 34 up to circa 200 buses. In the long-term Large Franchises will have a minimum term of five years, with an option to extend by two years. During transition the maximum term of the Large Franchises, including any extension periods, will be ten years. Small Franchises will typically have a peak vehicle requirement of up to 33 buses and will have a minimum term of three years and a maximum term of five years.
- Bus franchising will be implemented across three tranches (otherwise called Sub-Areas) of procurement.

### Franchise contract dates

The current indicative dates on which a franchise contract may first be entered into for each of the three tranches are:

- Tranche 1 (Sub-Area A) - 30th April 2022
- Tranche 2 (Sub-Area B) - 17th April 2023
- Tranche 3 (Sub-Area C) - 1st April 2024

## Franchising Key Principles

The key elements of the commercial approach to franchising in Greater Manchester are summarised below. Further detail can be found in the associated document QSN II.2.4 Supplement - Description of the procurement, which can be found on the Pro-Contract ETendering portal (<https://procontract.due-north.com/register>).

**Depots:** Large Franchises will be operated out of a depot provided by GMCA. For Small Franchises, operators will be required to provide their own depot facilities.

**Fleet:** GMCA will introduce a residual value (RV) mechanism that establishes a fleet of RV mechanism buses which, in a franchise competition, may be provided to all bidders on equal terms with ownership transferring to the successful bidder at the operational commencement date of that franchise. Operators will be responsible for the maintenance and repair of fleet in the RV mechanism, and the RV mechanism will provide a guaranteed residual value at the end of a franchise term. Operators will also be responsible for both the provision, maintenance and repair of any additional fleet required to operate the franchise.

**Intelligent Transport Systems (ITS):** TfGM will procure contracts for the supply and maintenance of some aspects of the required ITS solution (such as vehicle location, ticketing and driver communications systems) to ensure a standardised approach, which would then be made available to franchise operators who would be required to utilise this equipment.

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A Potential Supplier wishing to participate in a particular Greater Manchester Bus Franchise competition must have submitted an application to join the Passport System on or before the relevant date for each Sub-Area, with those dates currently being:

- Sub-Area A: Friday 3rd September 2021
- Sub-Area B: Friday 13th May 2022

- Sub-Area C: Friday 28th April 2023

#### Franchise Expression of Interest (Eoi)

When TfGM is commencing a particular Franchise competition it will issue a Franchise Eoi to all then-current Passport Holders ie, those who have met the criteria set out in the Passport Selection Questionnaire and successfully obtained Passport Holder status.

#### Invitation to Negotiate (ITN) / Invitation to Tender (ITT)

The ITN or ITT (as the case may be) will be issued to Passport Holders who have been assessed as having met the requirements to the Franchise Eoi.

### **II.2.14) Additional information**

A Qualification System Notice will be issued shortly (see below at section II.3 for anticipated date of publication).

This QSN will be a call for competition and will cancel and supersede all previous Qualification System Notices issued for the Greater Manchester Bus Franchise Qualification System which were not expressly stated to be a call for competition.

This periodic indicative notice/PIN also cancels and supersedes the previous prior information notice of the 15th June 2021 (ref: 2021/S 000-013522) issued for the Greater Manchester Bus Franchise Qualification System.

Any applicant that has previously applied for inclusion on the Greater Manchester Bus Franchise Qualification System will therefore need to access the updated Passport Selection Questionnaire from Pro-Contract and submit an application in response to the call for competition.

For the avoidance of doubt, potential Suppliers should note that alongside this QSN, updates have also been made to the QSN Supplement, Passport Selection Questionnaire (PSQ) and Passport Process Document (PPD). Some amendments have been made to the qualification criteria in the updated PSQ. As such, potential Suppliers who have responded to the previous QSN and PSQ will need to submit a response to the updated PSQ (including all updated qualification criteria).

### **II.3) Estimated date of publication of contract notice**

6 August 2021

## **Section IV. Procedure**

### **IV.1) Description**

#### **IV.1.8) Information about the Government Procurement Agreement (GPA)**

The procurement is covered by the Government Procurement Agreement: Yes

### **IV.2) Administrative information**

#### **IV.2.4) Languages in which tenders or requests to participate may be submitted**

English