

INVITATION TO TENDER

Provision of Taxi Services

For

Newcastle International Airport Limited

November 2018

CONTENTS

1.	INTRODUCTION.....	3
1.1	Purpose	3
1.2	Background	3
1.3	Conditions of Tender Submission	3
1.4	ITT Timetable.....	3
1.5	Main Services Required.....	4
1.6	Selection Criteria	4
1.8	Existing Services and Infrastructure.....	4
2.	FORM OF TENDER RESPONSE	5
2.1	Selection Criteria summary	5
2.2	Company Summary	5
2.3	Financial Offer	5
3.	SPECIFIC REQUIREMENTS.....	6
3.1	Customer service, Administration, Management	6
3.2	Project Management.....	6
3.3	Health and Safety and Compliance.....	7
3.4	Contractual requirements.....	7

1. INTRODUCTION

1.1 Purpose

This document outlines an invitation to tender for the provision of Airport Taxi Services (“the Service”) for Newcastle International Airport Limited (“NIAL”, “the Company”, “the Airport”). The aim of this document is to set out the timetable for the selection process and the criteria which will be used in the evaluation process.

1.2 Background

Newcastle International Airport is the 11th largest airport in the UK based on the latest CAA statistics. Close to 5.4 million passengers flew from the airport in the last year to over 80 destinations worldwide, utilising 16 Airlines comprising 20% Charter, 30% Scheduled, and 50% Low Cost. The airport is located 6 miles from Newcastle City Centre and enjoys a unique geographical position in relation to other regional airports, with 94% of regional flyers choosing to fly from Newcastle.

The business strives to deliver an exceptional customer journey throughout the Airport. The provision of high quality taxi services with exceptional customer service is an essential component in delivering this objective.

1.3 Conditions of Tender Submission

- a) The information and costs provided by the supplier in response to this Tender document should remain valid for a minimum period of 6 months.
- b) It is the supplier’s obligation to read this document thoroughly, to clarify queries with NIAL, and to ensure that a full and accurate tender response is prepared.
- c) NIAL is issuing this Tender Document on the understanding that no charge will be made by the suppliers relating to preparation of proposals. Suppliers should be prepared to attend NIAL at their own cost to present proposals and provide the opportunity for detailed discussion on any aspects of the proposed Service. The purpose of the presentation will be to discuss and, where required, provide clarification on the content of the proposal.
- d) NIAL will contract directly with the successful supplier for the provision of a Service as defined in this Tender Document for a period of 5 years.
- e) Questions regarding this tender content should be referred by email to: - taxitender@newcastleinternational.co.uk

1.4 ITT Timetable

- a) The ITT is being issued on 16/11/2018, with bidders requested to confirm intention to tender by 26/11/2018.
- b) Two copies of the proposal documents should be submitted by 13/12/2018.
- c) Tenders will be evaluated, with shortlisted suppliers being invited to present to members of NIAL on either 19/12/2018 or 20/12/2018.
- d) Final discussions will take place with a decision communicated to the successful bidder during January 2019.
- e) Subject to contract agreement, implementation of the Service will be activated at an agreed date.
- f) Tenders which fail to comply with the provisions of this document may, at the discretion of NIAL, be rejected.
- g) NIAL shall have the unqualified right to accept or reject any tender and NIAL does not bind itself to accept the lowest cost tender or any tender.

1.5 Main Services Required

- 1.5.1 High quality licensed taxi services available 24 hours per day, every day to meet customer demand patterns.
- 1.5.2 High quality vehicles, including those with wheelchair access, meticulously maintained for maximum reliability and availability. A variety of vehicle sizes is preferable.
- 1.5.3 Professional drivers providing exceptional customer service, and a great first impression of the Airport and the North East.
- 1.5.4 Effective App, website and telephone service providing efficient booking service including integrated payment facilities for convenient customer payments. Also the ability to integrate with the Newcastle International Airport App.
- 1.5.5 Efficient communication equipment so as to maximise efficiency of communication across vehicles.

1.6 Selection Criteria

NIAL will firstly consider the following criteria and only consider proposals from companies or associations that are able to meet them:

- a) Previous experience of supplying & implementing similar airport services.
- b) Capability to provide a Service utilising all company or association owned vehicles.
- c) Should not have an Experian Credit Score that is lower than 80.

Any company or association which fails to meet any of the criteria in (a) to (c) above will not be taken through to the next stage of this tender process.

1.7 Award Criteria

NIAL will then select the successful supplier based on the following criteria, with weighting applied as indicated:

- a) Proposed Business model, including income to NIAL per total passenger. 30%
- b) Quality of business plan, including focus on product, price, marketing, routes to market, technology, operational methodology, future development and investment. 15%
- c) Quality of vehicles, equipment, technology, processes, and services offered. 15%
- d) Capability and functionality of website, App, booking system, communications. 15%
- e) Customer service principles and service levels. 15%
- f) Ability to set up and deliver a full Service within reasonable timescales. 10%

1.8 Existing Services and Infrastructure

- 1.8.1 The successful company will be the only taxi firm allowed to access a taxi rank along the terminal front, a taxi office located in the terminal and back-up rank providing vehicle parking spaces and driver rest area ("Accommodation"). NIAL reserves the right to access all areas subject to applying reasonable endeavours to minimise disruption. NIAL reserves the right to allow access for other third party business partners.
- 1.8.2 The airport is utilised by 5.4 million customers annually, split by month as follows: -

Pax (m)	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Arriving	0.1	0.1	0.2	0.2	0.2	0.3	0.3	0.3	0.3	0.3	0.2	0.1	2.7
Departing	0.1	0.1	0.2	0.2	0.3	0.3	0.3	0.3	0.3	0.2	0.1	0.2	2.7
Total	0.3	0.3	0.3	0.4	0.5	0.6	0.6	0.6	0.6	0.5	0.3	0.3	5.4

- 1.8.3 Based on CAA statistics, taxis enjoy 31% modal share of customers of which it is estimated that 25% of that share is taken by Airport Taxis, with the remainder taken by external taxi companies utilising Pick Up and Drop Off car parks.
- 1.8.4 Typical local independent taxi fares per geographical area are shown in Appendix 1.
- 1.8.5 The existing airport taxi service utilises c.120 vehicles to provide the current service.

2. FORM OF TENDER RESPONSE

Please submit a response to each point within sections 2 and 3, strictly referring to the numbering convention used. Please include an appropriate 'Yes / No' response supported by an explanation that may help to explain the response. Please note: -

- a) An answer of 'Yes' will be interpreted as full compliance with requirements.
- b) The omission of a 'Yes / No' answer will be treated as a 'No' answer.
- c) An inadequate or unclear response may be treated as a 'No' answer.

2.1 Selection Criteria summary

- 2.1.1 Please provide a summary of key points to describe how you will meet each of the services required listed in Section 1.5.
- 2.1.2 Please confirm that you meet each of the selection criteria in Section 1.6 (a) to 1.6 (c).
- 2.1.3 Please provide a response to each point in the following sections 2.2 through to 3.4

2.2 Company Summary

- 2.2.1 Provide an overview of Company ownership / financial backing / organisational structure / year established / organisation chart including employees per area.
- 2.2.2 Specify number of years' experience of provision and installation of airport taxi services including number of customers, example customers, range and quantities of vehicles and services, and length of time services have been operational.
- 2.2.3 Please provide the most recent 2 sets of audited and published financial accounts.
- 2.2.4 Provide details of technology utilised including business software, taxi planning and management systems, website and Apps, payment mechanisms.
- 2.2.5 Specify relevant standards applied within your organisation e.g. ISO9000.
- 2.2.6 Please supply 2 reference sites (preferably airports of similar size to NIAL) in which the proposed services are currently utilised. Please confirm: -
 - a) Date of Service installation, implementation timescale, contract duration
 - b) Overview of services and vehicles provided.

2.3 Financial Offer

Please state your proposed financial terms within the following table (the 2017 passengers were 5.4m and our expectation is that the number will continue to grow):

Year from commencement	Tariff per passenger (pence)
1	
2	
3	

4	
5	
<p>A statement will be provided by NIAL within 7 days of the end of each month, providing total passengers for the month, and detailing the tariff due in respect of such passengers. The total amount will be due 5 days following date of issue of the statement. A waste disposal service charge of £2,000 per annum will also be applied, whilst charges will be applied for utilities associated with use of the Accommodation.</p>	

2.3.1 Please provide details of any set up and investment costs. Please note such costs to be incurred by the service provider.

3. SPECIFIC REQUIREMENTS

3.1 Customer service, Administration, Management

The Supplier is required to provide the following. Please comment on each point: -

3.1.1 On-site resource to provide full service and employee management and administration at NIAL including sickness and holiday cover, and including: -

- a) Day-to-day management of employees and communication with NIAL.
- b) Maintain and continuously improve service quality and customer satisfaction.
- c) Troubleshooting and ensuring adequate services remain in operation at all times.
- d) Remote management and support 24 hours per day, every day via phone, email and mobile phone contact.

3.1.2 Please provide overview of experience levels of management, administrative and driver employees who will be actively providing the Service.

3.1.3 Please provide overview of training plan to ensure the availability of adequate trained personnel on-site.

3.1.4 Please provide an overview of any management reports to be provided with the services (e.g. performance reports, trading data).

3.2 Project Management

3.2.1 The supplier is required to project manage the introduction of the new Service. Please provide the following information: -

- a) Detailed implementation plan indicating key phases and methodology.
- b) Proposed method of completing the transition to new services without impact on the airport operation or our customers.
- c) State experience and skill levels of Supplier employees engaged in this project.

3.2.2 Supplier documentation – this should include documents related to health and safety, security, system administration, and quality assurance.

3.2.3 Risk Assessment and Contingency Plan – provide example documents covering project risks and contingency actions, with particular emphasis on ensuring no interruption to existing NIAL services, and avoiding or mitigating risks that threaten the delivery of the project on time, within budget, and to satisfactory quality levels.

3.2.4 The Supplier shall be responsible for installation of equipment, components, software, and wiring in accordance with manufacturer's specifications and relevant regulations.

3.2.5 The Supplier must possess personnel of significant experience and track record of successfully installing similar services to time, quality and cost requirements. Please state track record and experience and provide details of example projects.

3.2.6 The Supplier shall develop a System Acceptance Test plan for approval by NIAL. The Test Plan should include documented system testing to ensure that the Service will operate satisfactorily, safely and securely across the site, and that the system possesses sufficient scalability to meet overall customer and Company needs.

3.3 Health and Safety and Compliance

- 3.3.1 Please confirm your company's compliance with Health and Safety legislation and state which legislation is adhered to along with relevant sections.
- 3.3.2 Please provide copies of your Company's Safety statement in relation to provision of equipment, vehicles and taxi services.
- 3.3.3 Please provide statements on your Company's approach to risk assessment in the workplace and provide examples of relevant risk assessments.
- 3.3.4 Please provide statements in relation to level of Health and Safety awareness, competence and training, of the Service implementation team, supporting employees, and Service provision employees.
- 3.3.5 A specific NIAL related Health and Safety Management System will be required, along with an IOSH or NEBOSH qualified Health and Safety representative.
- 3.3.6 All employees must be DBS approved, must undergo Airport Fire Safety and Security training prior to commencement of employment on NIAL's site, and must obtain and wear a NIAL ID Badge at all times.

3.4 Contractual requirements

The following example contractual clauses will be required (not limited to): -

- 3.4.1 Several third party business partners (chauffeur companies and bus services) are allowed access along the terminal front for pick-up of customers. NIAL reserve the right to reasonably retain, amend, or add further third parties to this arrangement.
- 3.4.2 For the avoidance of doubt NIAL and its authorised agents, contractors or staff shall have unrestricted access to such areas, and will make reasonable endeavours to minimise disruption.
- 3.4.3 The Service provider will be expected to: -
 - 3.4.3.1 Properly promote the Service to maximise business and co-operate with NIAL in such promotions as required;
 - 3.4.3.2 Ensure that all employees utilised in providing the Services are of good character and suitable in age and integrity and have the requisite skill and experience for the efficient, safe and courteous performance of the Service;
 - 3.4.3.3 Ensure that all vehicles utilised in the provision of the Service are correctly maintained and cleaned, and taxed and insured in accordance with current legislation and that drivers are in possession of all necessary licenses for the operation of the Service;
 - 3.4.3.4 Use the Rank, the Back-up Area and the Accommodation with all due care and for the purposes only of performing this Service and ensure at all times that the same are kept in a clean and tidy condition to the satisfaction of NIAL;
 - 3.4.3.6 Keep the Accommodation in a secure and efficient manner and maintain the same in a safe condition to the satisfaction of NIAL (and in full compliance with all statutory requirements);
 - 3.4.3.7 Not display any signs, notices or advertisements in or on the Rank, the Back-up Area, the Vehicles or the Accommodation without the prior written approval of NIAL;
 - 3.4.3.8 At all times observe all or any regulations, instructions or byelaws made in connection with the operation and use of the Airport and comply with any reasonable requirements of NIAL directed to the safety of the Airport or to the comfort and well-being of Customers;
 - 3.4.3.9 Take out and maintain in force suitable insurance policies at its own cost with a reputable insurer approved by NIAL including Public liability, Property damage; Employers liability; and other insurances as may be required by law.
Please provide details of your proposed insurance policies including limits of liability.

Appendix 1 – Typical Local Taxi Fares (From NIAL)

Area	Area Postcode	Distance to Airport	Example Private Taxi
Newcastle	NE1	7	£12
Sunderland	SR1	23	£31
N Tyneside	NE29	12	£23
Gateshead	NE10	9	£15
Derwentside	DH9	17	£24
S Tyneside	NE34	16	£27
Easington	SR8	29	£47
Durham	DH1	25	£41
Blyth Valley	NE24	17	£23
Hartlepool	TS24	39	£63
Sedgefield	TS21	35	£58
Morpeth	NE61	15	£20
Stockton	TS18	43	£71
Middlesborough	TS1	46	£79
Wansbeck	NE62	18	£23
Chester-Le-Street	DH3	18	£28
Langbaugh (Midd)	TS10	54	£92
Darlington	DL3	43	£67
Tynedale	NE47	23	£34
Wear Valley	DL14	37	£59
Allerdale (Cumbria)	CA13	76	£126
Alnwick	NE66	34	£56