

CABINET

11 JULY 2023

GATEWAY 3 CONTRACT AWARD: SEND TRANSPORT SERVICES

Portfolio Holder: Councillor Adam Price, Portfolio Holder for Children's Services (including statutory responsibilities)

Report from: Lee-Anne Farach, Director of People

Report Author: Paul Clarke, Strategic Head of Education; Planning and Access

Procurement Overview

Total Contract Value: c£1.7m

Contract Term: 12 months

SUMMARY

This report seeks permission to award the procurement of the delivery of various SEND transport routes.

1. Background Information

1.1. Budget and Policy Framework

1.1.1. All local authorities have a statutory duty to put in place arrangements for the provision of home to school travel assistance and transport for children and young people who meet the published eligibility criteria. Sections 508B and 508C of the Education act 1996 (as amended) set out the local authority's duties and powers respectively, to make such suitable travel arrangements as the local authority considers necessary, to facilitate a child's attendance at school.

1.1.2. As the cost of transport assistance falls within the Council's budget, this is a matter for Cabinet.

1.2 Background Information and Procurement Deliverables

1.2.1. The current provider transports approximately 400 children and young people to and from seven school and college sites each day. This includes a pickup from the child's home address and drop off at school and then vice versa on the return journey each afternoon. Entering into a new contract for a further year to provide transport for children with

SEND, means that continuity of provision will be maintained for Medway's most vulnerable pupils for whom change can be challenging. The current service meets all criteria and standards set and provides a financially efficient outcome.

1.3. Parent Company Guarantee/Performance Bond Required

1.3.1. As this will be a direct award, a Parent Company Guarantee nor Bond will be sought.

2. Procurement Process

2.1. Procurement Process Undertaken

2.1.1. Medway Council operates a Transport Framework, which became operational in 2019 and spanned a 4-year period. Although the provision and current contracts end in August 2023, officers can enter into call-off contracts that lapse after that date. Therefore, a further mini-competition was tendered to cover the following 12 months and it is expected that within this period, colleagues from Business Change will explore alternative means of delivery, hence the shorter than desirable contract length.

2.1.2. In response to the mini-competition, 10 submissions were received from framework members, which were subsequently evaluated.

2.1.3. Prices were received against all routes. Through this exercise, it was identified that the incumbent remained competitive and their annual rate, remains roughly £180k less than the next lowest bids.

2.2. Evaluation Criteria Used

2.2.1. As with the awards made through the transport framework, this award is made on the basis of the operator having the relevant licences, insurances and quality standard to be able to deliver a service and then wholly evaluated on cost.

2.3. Contract Management

2.3.1. Contract management will be the responsibility of the Home to School Transport Manager

3. Options

3.1. Option 1 – direct award to the incumbent provider

3.1.1. The incumbent provider currently delivers transport to approximately 400 children and young people and continuing this arrangement will ensure a level of continuity in service. **This is the preferred option.**

3.2. Option 2 – award to a framework provider.

3.2.1. Other framework providers can deliver said service, but at a higher cost.

4. Risk management

Risk	Description	Action to avoid or mitigate risk	Risk rating
Financial/ reputational	The current provider operates an open book model meaning the cost of service will inevitably change. This will predominantly be dependent upon the numbers of children being transported.	Proceed with option 2 but with a known increased cost of c.£180k. To be noted that the cost associated to fluctuations in pupil numbers will still occur, but the values have been pre-disclosed.	C2

Likelihood	Impact:
A Very high B High C Significant D Low E Very low F Almost impossible	1 Catastrophic (Showstopper) 2 Critical 3 Marginal 4 Negligible

5. Service Implications

5.1. Financial Implications

5.1.1. The procurement requirement and its associated delivery as per the recommendations will be funded from existing revenue budgets. However, it should be noted that expenditure on SEND transport overall overspent by c£2million in 2022/23 and is forecast to overspend in 2023/24, this will need to be considered as part of the 2024/25 budget build process.

5.1.2. The proposed costs for undertaking the service are £1.696million and is line with the current cost of these routes.

5.2. Legal Implications

5.2.1. The procedure gives a high degree of confidence that the Council's primary objectives for procurement are met, as required by Rule 2.2 of the Council's Contract Procedure Rules ("the CPRs").

5.2.2. Under the Council's Contract Procedure Rules, the procurement is a Process 3 procurement (Rule 18), and the process set out in this report meets the requirements for such procurements. The procurement was advertised on the Kent Business Portal, in compliance with rule 18.4 of the CPRs.

- 5.2.3. Medway Council has the power under the Local Government (Contracts) Act 1997 and the Localism Act 2011 to enter into contracts in connection with the performance of its functions.
- 5.2.4. The process described in this report complies with the Public Contracts Regulations 2015 and Medway Council's Contract Procedure Rules.
- 5.2.5. This report has been presented as a Process 3 High risk procurement, and therefore the Monitoring Officer, in consultation with the Procurement Board will therefore set the risk and reporting stages for the remainder of the procurement process for Gateway 4.

5.3. TUPE Implications

- 5.3.1. TUPE does not apply to this recommendation.

5.4. Procurement Implications

- 5.4.1. At this stage of the procurement process, officers have presented two viable options. The recommendation will ensure the comparable cost of service remains as low as possible with a viable service provision with a good track record.

5.5. ICT Implications

- 5.5.1. NA

6. Social, Economic & Environmental Considerations

- 6.1. Transporting children in mini buses reduces the need for solo and dual taxi routes, therefore reducing car journeys on the road and in turn reducing potential emissions.

7. Recommendation

- 7.1. It is recommended that Medway Council awards a contract to the contractor as outlined within paragraph 3.2 of the Exempt Appendix for the routes detailed within the same paragraph, which is based on the evaluation contained within 3.1 and section 4 of the Exempt Appendix.

8. Suggested reasons for decision

- 8.1. Award of the contract will ensure the local authority meets its statutory duty to put in place arrangements for the provision of home to school travel assistance and transport for children and young people who meet the published eligibility criteria.

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Appendices

Exempt Appendix – financial analysis

Background papers

None