


**REPORT TO CABINET**

**12 August 2020**

<b>Subject:</b>	<b>To establish a new Dynamic Purchasing System for the Provision of Passenger Transport for 2021-25</b>
<b>Presenting Cabinet Member:</b>	<b>Cabinet Member for Best Start in Life, Councillor Joyce Underhill</b>
<b>Director:</b>	<b>Director – Education, Skills and Employment, Chris Ward Rebecca Maher – Head of Finance</b>
<b>Contribution towards Vision 2030:</b>	
<b>Key Decision:</b>	Yes
<b>Cabinet Member Approval and Date:</b>	Cabinet Member for Best Start in Life, Councillor Joyce Underhill:
<b>Director Approval:</b>	Director – Education, Skills and Employment, Chris Ward: 17 July 2020 Rebecca Maher – Head of Finance:
<b>Reason for Urgency:</b>	
<b>Exempt Information Ref:</b>	
<b>Ward Councillor (s) Consulted (if applicable):</b>	Implications are borough-wide, no need for specific ward councillors to be consulted
<b>Scrutiny Consultation Considered?</b>	Scrutiny consultation hasn't been considered
<b>Contact Officer(s):</b>	Angelina Dawson, Manager, Travel Assistance Service (TAS) angelina_dawson@sandwell.gov.uk Carol Wintle, Procurement Business Partner carol_wintle@sandwell.gov.uk

## **DECISION RECOMMENDATIONS**

**That in accordance with the council's Procurement and Contract Procedure Rules, the Cabinet:**

1. Approve the Travel Assistance Service establish a new Dynamic Purchasing System (DPS) for the provision of passenger transport services for the period 1 August 2021 to 31 July 2025.
2. That subject to 1. above, the Director – Legal and Governance enter into an appropriate contract with the successful tenderers.

### **1 PURPOSE OF THE REPORT**

- 1.1 The Council has a requirement to establish a new Dynamic Purchasing System (DPS) for the provision of passenger transport services within the borough of Sandwell for children and adults with Special Educational Needs (SEN) and Disability (SEND) and those with an identified requirement in 2021. The DPS will consist of a list of suppliers who can be approached as and when transport needs are required. Only suppliers awarded a place on the DPS will be considered to provide transport.
- 1.2 Passenger Transport is currently provided for:
  - SEN home to school transport,
  - Looked After Children home to school transport, respite and contact visits
  - Adults Social Care transport needs
- 1.3 To be considered for the award of a place on the DPS suppliers will have to pass or meet the following Selection Criteria;
  - A. Mandatory Exclusion
  - B. Discretionary Exclusion
  - C. Technical and Professional Ability
  - D. Insurance
  - E. Health & Safety
  - F. Licences and Vehicle Compliance
  - G. Project Specific Questions to Asses Technical & Professional Ability
  - H. Social Value

- 1.4 This Cabinet report seeks approval to establish a new Dynamic Purchasing System (DPS) for the period **1 August 2021 to 31 July 2025 as the current DPS and contracts will expire 31 July 2021**. The period of validity of the DPS may be amended subject to notification via the Official Journal of the European Union (OJEU).
- 1.5 Following the procurement of passenger transport through the DPS, cabinet approval for the award of contracts will be sought in accordance with the current Procurement and Contract Procedure Rules.

## **2 IMPLICATION FOR VISION 2030**

- 2.1 Ambition 2 – Sandwell is a place where we live healthy lives and live them for longer and where those of us who are vulnerable feel respected and cared for.

The Travel Assistance Service (TAS) have worked in co-production with our passengers, parents/carers, schools/venues and Transport Providers. We have created, implemented and manage our service to ensure that our SEND passengers are respected and cared for through the provision of a high-quality and accountable transport service.

Ambition 4 – our children benefit from the best start in life and a high-quality education throughout their school careers with outstanding support from their teachers and families.

The home to school transport service ensures that children can access their learning establishments daily.

Ambition 10 – Sandwell now has a national reputation for getting things done, where all local partners are focused on what really matters in people's lives and communities.

The procurement and management of a quality transport service, putting the needs of our passengers first, with safety, reliability, accountability and cost effectiveness being paramount.

## **3 BACKGROUND AND MAIN CONSIDERATIONS**

- 3.1 The current DPS will expire 31 July 21 therefore the council has a requirement to establish a new DPS.
- 3.2 Following completion of the tender process, tenders will be evaluated, and approval sought from Cabinet prior to the award of the contracts.

## 4 THE CURRENT POSITION

- 4.1 The current DPS agreement for the provision of passenger transport services began in **February 2018 and will end on 31 July 2021** as it will come to its natural end. The council therefore has a requirement to establish a new DPS.
- 4.2 Under section 508B and schedule 35B of the Education Act 1996 local authorities are under a statutory duty to provide free school transport to eligible children.

## 5 CONSULTATION (CUSTOMERS AND OTHER STAKEHOLDERS)

- 5.1 There is no requirement to consult.

## 6 ALTERNATIVE OPTIONS

- 6.1 To re-procure for passenger transport provided externally via the DPS is the only viable option as gives us the ability to be responsive to changes in the market and fluctuations in demand.
- 6.2 We could procure a managed service, but this isn't a viable option due to the current timescales as we would need to consider TUPE in relation to SMBC staff and external Operators staff. However, a managed service may be an option in the future.
- 6.3 We could procure a framework however; a framework does not allow new operators to join at any time unlike the DPS. This is very important due to the nature of the transport market and increased demand for SEND transport (including specialist vehicles). Allowing new operators to join at any time will ensure that we are able to respond to and take advantage of changes and developments in the local market.
- 6.4 The council could purchase an in-house service, securely store and maintain a fleet of minibuses/cars and employ drivers and passenger assistants to undertake the work in-house. This is not an achievable proposal given the time scale requiring this service by August 2021 or practical as a fleet would need to be in excess of 200 vehicles and the cost of this fleet would make this option unviable.

6.5 Using the ASC existing in-house fleet. This is a viable option for 1 or 2 smaller school contracts, however, ASC are unable to commit to home to school contracts at present due to not being able to predict the needs of ASC transport currently, particularly relating to the re-opening of centres due to covid-19. This is also an option for further reconsideration in the future.

## **7 STRATEGIC RESOURCE IMPLICATIONS**

7.1 The annual budget allocated for SEN home to school transport is £2,550,000. As reported in the 2019/20 financial outturn report, this demand for statutory services meant that this budget was significantly overspent but this was managed via a one-off use of reserves. Ongoing demand for the statutory service means that there is a projected pressure of £3,000,000 on this budget in the current financial year. The budget is being closely monitored with a Director led, officer working group exploring a range of actions to mitigate against this pressure. The Cabinet will be kept informed of progress made by the working group.

7.2 In the event that a new DPS is not established, future costs would increase as the service would have to rely on spot purchases, which are more expensive.

7.3 In addition to SEN home to school transport the average annual expenditure for Looked After Children home to school, respite and contact visits is £215,400 and Adults Social Care transport needs is £100,000

7.4 The current contracts will end on **31 July 2021** so new contracts need to be set up so that statutory passenger transport provision can continue.

## **8 LEGAL AND GOVERNANCE CONSIDERATIONS**

8.1 The Council must comply with the Public Contracts Regulations 2015 and the Council's own Procurement and Contract Procedure Rules 2019/20.

## **9 EQUALITY IMPACT ASSESSMENT**

9.1 An Equality Impact Assessment (EIA) initial screening has been undertaken. The screening identified that there will be no adverse impact on people or groups with protected characteristics.

9.2 A full EIA is not therefore required.

## **10 DATA PROTECTION IMPACT ASSESSMENT**

10.1 The Dynamic Purchasing System will continue to use the Council's e-Tendering system, In-tend.

10.2 The Council already use a Dynamic Purchasing System (DPS) for the provision of passenger transport services

## 11 CRIME AND DISORDER AND RISK ASSESSMENT

11.1 The Corporate Risk Management Strategy (CRMS) has been complied with – to identify and assess the significant risks associated with this decision. This includes (but is not limited to) political, legislation, financial, environmental and reputation risks. Based on the information provided, it is the officers' opinion that for the significant risks that have been identified, arrangements are in place to manage and mitigate these effectively.

11.2 If this report is not agreed, then the council will risk not having transport in place for September 2021 and fail in its statutory duty to provide home to school transport for children with Special Educational Needs. This would have a detrimental impact on children and their families who already face significant challenges in their lives, and council's reputation will be detrimentally affected.

The directorate risk register currently includes a red risk around Special Educational Needs and Disabilities Transport: SR060 -. If the council does not consider options on how to manage the increasing upwards trajectory of costs in respect of SEND transport, then this will significantly impact service budgets and the provision of other services across the directorate.

The recommendations above if approved, will assist in the continued mitigation of this risk.

A cross council task group of senior officers has been established to lead on the identification and implementation of changes and measures to stabilise the escalating cost of SEND transport and whether possible reduce costs

Measures and changes that have already been implemented:

- SEND Strategic Transport Group established
- Revised SEN processes and procedures to ensure the travel assistance policy is consistently applied, independent travel training, car mileage and personal transport budgets are considered before vehicle transport is offered.
- Increasing the number of operators on the DPS to encourage competitive prices and undertaking benchmarking exercises against other providers to achieve best value and reduce costs of individual contracts.
- Working with colleagues in SEN to ensure that there are no additional cost implications due to covid-19 Impact and implications associated with Covid-19.

Future measures and changes to be evaluated:

- Establishing a new DPS for the contract period Aug 21- July 25 that will provide greater control of contract variations and avoid any unnecessary additional costs.
- Investigating alternative transport solutions
  - Use of coaches with drop of points
  - Pick up points rather than door to door
  - Utilisation of ASC transport/and or increasing the inhouse fleet

Measures have also been put in place to manage the Impact and Implications associated with Covid-19

- Understanding and implementation of updated guidance from DfE, DfT, Dept HSC and PHE
- Compliance with NHS Track and Trace- Implemented staff and passenger covid-19 checklists for all journeys
- Developed and issued new guidance to all transport operators, parents/carers and schools
- Introduced a covid-19 specific risk assessment for passenger transport
- All staff able to work from home- All staff issued with a mobile phone
- Measures in place to manage workload during staff absences – staff have received training to enable them to be multiskilled to support all roles within TAS.
- Followed Government guidance PPN02/20 and 04/20 Covid 19 Supply & Relief to ensure transport operators did not cease to trade and that the existing companies who hold contracts are available to resume transport arrangements in September 2020.
- Working with colleagues in SEN to ensure that there are no additional cost implications due to covid-19

The identified mitigations will be reviewed monthly as part of the strategic working group and as further Government advice is released.

## **12 SUSTAINABILITY OF PROPOSALS**

12.1 Funding for the delivery of the services specified in this report is provided via the client services.

## **13 HEALTH AND WELLBEING IMPLICATIONS (INCLUDING SOCIAL VALUE)**

13.1 The DPS suppliers are required to demonstrate how they will be responsive to Social, Environmental and Local Economic prospects, and how they will construct and operate their works to deliver a positive impact on the local economic, social and environmental well-being of the local area.

13.2 The selected suppliers will have already demonstrated activities in supporting social and economic requirements creating added value to communities. This will include employment creation for unemployed people, the employment of local people, and social initiatives in supporting activities for young people and engaging with schools and the wider community.

13.3 The Council already use a Dynamic Purchasing System (DPS) for the provision of passenger transport services.

#### **14 IMPACT ON ANY COUNCIL MANAGED PROPERTY OR LAND**

14.1 There are no implications for the Councils material assets arising from the proposal.

#### **15 CONCLUSIONS AND SUMMARY OF REASONS FOR THE RECOMMENDATIONS**

15.1 **The current DPS and contracts cease on 31 July 2021, a new DPS needs to be in place by 1 August for statutory passenger transport to continue between 2021-2025.**

15.2 The DPS offers a transparent and auditable process for the fair and cost-effective awarding of passenger transport contracts.

#### **16 BACKGROUND PAPERS**

None

#### **17 APPENDICES:**

None

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**Head of Finance**

**Chris Ward**  
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