

Notice of Meeting

Cabinet Member for Transport, Highways and Environment Decisions

**Date & time**

Tuesday, 4 June
2013 at 2.00 pm

Place

Room 109, County
Hall, Kingston upon
Thames, Surrey KT1
2DN

Contact

Anne Gowing
Room 122, County Hall
Tel 020 8541 9122

Chief Executive

David McNulty

anne.gowing@surreycc.gov.uk

If you would like a copy of this agenda or the attached papers in another format, eg large print or braille, or another language please either call 020 8541 9068, write to Democratic Services, Room 122, County Hall, Penrhyn Road, Kingston upon Thames, Surrey KT1 2DN, Minicom 020 8541 8914, fax 020 8541 9009, or email anne.gowing@surreycc.gov.uk.

This meeting will be held in public. If you would like to attend and you have any special requirements, please contact Anne Gowing on 020 8541 9122.

Elected Members

John Furey

AGENDA**1 DECLARATIONS OF INTEREST**

To receive any declarations of disclosable pecuniary interests from Members in respect of any item to be considered at the meeting.

2 PROCEDURAL MATTERS**2a Members' Questions**

The deadline for Members' questions is 12pm four working days before the meeting (29 May 2013).

2b Public Questions

The deadline for public questions is seven days before the meeting (28 May 2013).

2c Petitions

The deadline for petitions was 14 days before the meeting, and no petitions have been received.

3 CONTRACT FOR THE SUPPLY OF HOME TO SCHOOL TAXI TRANSPORT FOR CHILDREN WITH SPECIAL EDUCATIONAL NEEDS (Pages 1 - 6)

The Council has a statutory obligation to provide home-to-school transport to entitled pupils enabling them to attend their education provision. The current contract which supplies home-to-school transport into The Ridgeway Community School is expiring on the 31 July 2013 and it is requested that a one year contract is awarded to the current supplier. Over the next few months, a strategic review of this category will be undertaken to explore alternative contracting strategies and establish new procurement and service delivery models.

4 EXCLUSION OF THE PUBLIC

That under Section 100(A) of the Local Government Act 1972, the public be excluded from the meeting during consideration of the following items of business on the grounds that they involve the likely disclosure of exempt information under the relevant paragraphs of Part 1 of Schedule 12A of the Act.

5 CONTRACT FOR THE SUPPLY OF HOME TO SCHOOL TAXI TRANSPORT FOR CHILDREN WITH SPECIAL EDUCATIONAL NEEDS (Pages 7 - 8)

The Council has a statutory obligation to provide home-to-school transport to entitled pupils enabling them to attend their education provision. The current contract which supplies home-to-school transport into The Ridgeway Community School is expiring on the 31 July 2013 and it is requested that a one year contract is awarded to the current supplier. Over the next few months, a strategic review of this category will be undertaken to explore alternative contracting strategies and establish new procurement and service delivery models.

Confidential: Not for publication under Paragraph 3

Information relating to the financial or business affairs of any particular person (including the authority holding that information)

David McNulty
Chief Executive
Published: 24 May 2013

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Thank you for your co-operation

SURREY COUNTY COUNCIL

CABINET MEMBER FOR TRANSPORT, HIGHWAYS AND ENVIRONMENT



DATE: 4 JUNE 2013

LEAD OFFICER: TREVOR PUGH – STRATEGIC DIRECTOR; ENVIRONMENT AND INFRASTRUCTURE

SUBJECT: CONTRACT FOR THE SUPPLY OF HOME TO SCHOOL TAXI TRANSPORT FOR PUPILS WITH SPECIAL EDUCATIONAL NEEDS

SUMMARY OF ISSUE:

The Council has a statutory obligation to provide home-to-school transport to entitled pupils enabling them to attend their education provision. The current contract which supplies home-to-school transport into The Ridgeway Community School is expiring on the 31 July 2013 and it is requested that a one year contract is awarded to the current supplier. Over the next few months, a strategic review of this category will be undertaken to explore alternative contracting strategies and establish new procurement and service delivery models.

RECOMMENDATIONS:

It is recommended that a one-year contract is awarded to the current supplier.

REASON FOR RECOMMENDATIONS:

Home-to-school transport is a statutory service provided by the Council. Whilst a strategic review is being conducted surrounding home-to-school transport, it is recommended that the County Council continue contracting with the current supplier for one year to ensure service delivery and disruption to pupils is minimised.

DETAILS:

1. With the need to reduce cost, improve service quality and communications between school, parents and suppliers, 'Sole Provider' contract arrangements were put in place which means that one transport provider is responsible for delivering the entirety of an SEN schools home-to-school transport. With this in mind, on the 7 January 2009 a contract was put in place to deliver home-to-school transport for entitled pupils with special educational needs to The Ridgeway Community School. The 'Sole Provider' method over the past four and a half years has been successful and has proven beneficial to the pupils, school and the Council.
2. The contract delivering services to The Ridgeway Community School is due to expire on the 31 July 2013 and it is recommended that the current supplier continue for a further year. Through supplier supervision, the Transport Coordination Centre (TCC) have confirmed that the contract is performing well

and the supplier is meeting performance goals. Both the school and the pupils are satisfied with the service being provided.

3. A review of the taxi transport services will be conducted over the coming months. The review will look for ways to save money and build resilience so that the Council can cope with the expected budget pressures over the next few years. The review will also look for ways of delivering the same quality service for less. Collaboration with other authorities, groups and partnerships will also be explored.
4. During the latter part of 2014, several other 'Sole Provider' contracts will be expiring. By undertaking the review now and re-tendering these contracts together the Council will ensure economies of scale. It will also offer the opportunity to explore alternative sourcing strategies including e-Auctions, which allows for competitive negotiations to be conducted via an online platform and Dynamic Procurement Systems (DPS), which is an electronic way of purchasing goods, works or services. A number of Councils have found both these techniques valuable.
5. The review will also seek to reiterate the importance of understanding the future commissioning needs of the Service, Surrey Schools and feedback from parents and young people. By doing this, it will allow the Council time to find the right commercial model and approach moving forward.
6. Continuity of service is paramount to the children, schools and the council. By approving this recommendation, the current supplier can continue to supply services without disruption. To appoint a new supplier, for one year whilst the review is taking place, would take time to mobilise and implementation would need significant input and management from the Service and the school. Furthermore, the difficulty in changing suppliers for one year to then potentially change again once the review and re-tender has taken place, coupled with the disruption to vulnerable pupils, outweighs the risk of contracting with the current supplier.

CONSULTATION:

7. In preparation for this recommendation, key stakeholders from the Transport Coordination Centre (TCC), Legal Services and Finance were consulted to ensure the original contract was performing well, we were legally compliant and the funding was available.
8. The Ridgeway Community School was also consulted to gain understanding of whether their needs were being met and if the contract continued to perform well.
9. A full consultation involving colleagues from the Council, schools, parents and pupils will take place during the re-tendering of this contract.

RISK MANAGEMENT AND IMPLICATIONS:

10. Legal Risk – Risk of challenge.

The recommendation to Cabinet Member is to continue contracting with the current supplier to deliver services to The Ridgeway Community School. The risk of challenge is low as there are only a small number of suppliers who have the

capacity to perform block contracts. In addition, 1 year contracts are unfavourable to suppliers as mobilisation and implementation would take significant resource.

11. Financial Risks – Current spend to remain the same.

Direct Award via the Taxi Framework, which means the highest ranked supplier on the framework would be offered the contract, is an available option. However, the cost of the current supplier compares favourably to prices quoted on the taxi framework.

12. Reputation Risks – The Council's reputation would be at risk if service was disrupted.

The home-to-school transport service is a statutory service which must be provided to entitled pupils and any disruption in service would significantly impact the wellbeing of the pupils accessing the services. This would therefore impact on the reputation of the Council.

13. Service Risks – The introduction of a new supplier for a one year period would impact on the Transport Coordination Centre (TCC) as significant resource, input and management would be required to ensure smooth transition and implementation.

Changing suppliers potentially twice would not be the best use of Officer time and Council resources.

Financial and Value for Money Implications

14. In accordance with the Procurement Review Group (PRG), the Council's internal governance, the current supplier will agree to continue for one year on identical pricing schedules.

15. For breakdown of costs please see Annex 1.

16. The Transport Coordination Centre (TCC) will supervise the supplier to ensure the contract will continue to deliver value for money throughout the contract life.

17. To ensure value for money, the Procurement Service and the Transport Coordination Centre (TCC) have reviewed the contractual school route prices.

Section 151 Officer Commentary

18. Financial implications are explained in the body of the report. A one year extension would be awarded at existing price levels, which have remained fixed since 2009. Prices have been compared to the taxi framework contract and are considered to represent value for money.

19. There is budgetary provision for this contract within the home to school transport budget. This budget was overspent during 2012/13 due to increased demand, although the overspend was offset by additional savings and efficiencies elsewhere within the Children Schools & Families directorate.

20. The home to school transport budget for 2013/14 assumes no inflationary increase, which is consistent with the terms of the proposed contract extension.

Legal Implications – Monitoring Officer

21. The Council has a statutory obligation to supply home-to-school taxi transport for entitled pupils with special educational needs.
22. A waiver was approved, subject to Cabinet Member approval, at the Procurement Review Group (PRG) on the 15th May 2013 to award the current supplier of home-to-school transport into The Ridgeway Community School a one year contract. The waiver was approved to ensure the disruption to pupils was minimised and allow time for a retender of taxi services alongside other block contracts that will be coming to an end in 2014. In accordance with the PRG approval, the current supplier will agree to continue for one year on identical contractual and financial terms.
23. The Transport Coordination Centre (TCC) ensures that all of its operations are compliant with the legislative framework at both local and national government levels, this includes but is not limited to the Education Act 1996, the Education and Inspections Act 2006, the Road Traffic Act 1988 and subsequent revisions, Transport Act 1985 and (as amended) the Local Government (Miscellaneous Provisions) Act 1976, Town and Police Clauses Act 1847 and the Equality Act 2010.

Equalities and Diversity

24. The existing Equality Impact Review was reviewed and refreshed in May 2013.

Safeguarding responsibilities for vulnerable children and adults implications

25. The current supplier is listed on the Taxi framework which means they meet the Councils safeguarding requirements, be licensed and insured appropriately. The Transport Coordination Centre (TCC) safeguarding policy and monitoring processes in place for all operators means that Surrey residents can be assured of the quality and safety of the service they will receive.

WHAT HAPPENS NEXT:

26. If the Cabinet Member approves the recommendations in this report, officers will then:
 - Move rapidly to formally award the new contract as detailed in this report.
 - New contract will begin on 1 September 2013.
 - Continually monitor supplier performance throughout the duration of the contract.
 - Begin undertaking the strategic review of transport.

Contact Officer:

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Consulted:

Trevor Pugh – Strategic Director; Environment and Infrastructure

Julie Fisher – Strategic Director; Business Services

Laura Langstaff – Acting Head of Procurement and Commissioning

Ross Duguid – Category Manager; Customer, Environments and Communities

Alison Gruet – Senior Category Specialist - Customer, Environments and Communities

Paul Millin – Travel and Transport Group Manager.

Annexes:

ANNEX 1; PART 2. Contract for the Supply of home-to-school taxi transport for pupils with special educational needs.

Sources/background papers:

- All background papers used in the writing of the report should be listed, as required by the Local Government (Access to Information) Act 1985.

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