



London Borough of Hackney – Key Decision taken by the Decision of the Executive Mayor on Monday, 27 July 2015

Agenda Item No	Topic	Decision
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Part A – Items considered in public

1	SPECIAL URGENCY REPORT PASSENGER TRANSPORT SERVICES FOR VULNERABLE CHILDREN, YOUNG PEOPLE AND ADULTS CONTRACT APPROVAL	<p>RESOLVED</p> <p>To agree the award of contract for provision of Passenger Transport Services for Vulnerable Children, Young People and Adults on a 4 year framework agreement to Providers, as set out in Table 1 in exempt Appendix A to the report, in the following categories:</p> <ul style="list-style-type: none">• LOT 1 – Home-to-school transport provision for children and young people with Special Educational Needs and/or Disabilities (SEND);• LOT 2 – Ad-hoc journeys (may include some scheduled bookings) for vulnerable children, young people and adults;• LOT 3 – Bus, mini-bus and coach hire services for ad-hoc journeys (e.g. school trips). <p>REASONS FOR DECISION</p> <p>1.2.1 To support the demand for specialist transport services across the three Council departments, HLT, CYPS and HCS who are seeking to implement a joint passenger transport service framework.</p> <p>1.2.2 The Council has a statutory obligation to provide home to school transport for a child or young person who is eligible and must be free of charge. The transport service for vulnerable children, young people and adults is a key service provided by the Council. The implementation of a corporate passenger services framework underlines commitment to achieving best value for the Council.</p>
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		<p>1.2.3 This report will outline the process undertaken to procure a framework of Providers to deliver a safe Passenger Transport Service for vulnerable service users.</p> <p>ALTERNATIVE OPTIONS (CONSIDERED AND REJECTED)</p> <p>Four options were considered for this procurement – as outlined below:</p> <p>1.3.1 Option 1: Deliver the provision in-house</p> <p>This option would consider the possibility of employing personnel on a full-time basis, and leasing vehicles to provide all required in-house taxi services.</p> <p>Advantages</p> <ul style="list-style-type: none"> - This would give the Council ready access to the services required, removing the need outsource taxi requirements. <p>Disadvantages</p> <ul style="list-style-type: none"> - The Council is likely to receive a high level of media interest and political pressure as a result of running its own taxi fleet. - The exceptionally high cost of salaries, especially as constant demand for services during the day cannot be guaranteed and may result in many hours down-time for drivers. - Due to the peaks and troughs of service requirements, the in-house service may not be able to meet all requirements during peak-hours resulting in an external service still being required. - It is not cost effective.

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		<p>1.3.2 Option 2: Tender the transport service to one lead provider</p> <p>Advantages</p> <ul style="list-style-type: none"> – Saving on resources required to manage single supplier’s performance for delivery of all taxi services – Ease of booking taxi services with one approved provider <p>Disadvantages</p> <ul style="list-style-type: none"> – Lack of competitive booking process - the Council would not receive value for money. – If the main provider cannot meet all the requirements during peak-hours, the Council would have to use other unapproved operators. – This option would pose a high risk in the event of the supplier going into administration. Croydon and Sutton Councils generated adverse media attention in early 2014 when their sole transport provider for SEN children went bust. – This option is likely to disadvantage smaller, local businesses that are well placed to provide a responsive service. <p>1.3.3 Option 3: Create a new joint framework specific to HLT, CYPS and HCS Requirements</p> <p>In this option the Council would create its own framework agreement in order to meet its requirements and amalgamate statutory duty to provide transport and ad-hoc purchasing of the required taxi services across the three Council departments.</p> <p>Advantages</p>

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		<ul style="list-style-type: none"> - The framework would be specific to the Council and therefore meet all user requirements, including the need for safe service for vulnerable users. - Will provide greater efficiency of purchasing, with a one-stop shop allowing directorates to purchase all required services from the one framework. - Allow for greater control of spend on taxi services across the Council. - The competitive process of developing the framework will ensure that the Council is receiving ‘value for money’ from the suppliers. - List of approved taxi suppliers will allow greater ease of expenditure tracking. - Likely to have broad user acceptance. - Saving on resources required to tender and implement separate taxi frameworks for each directorate/ department <p>Disadvantages</p> <ul style="list-style-type: none"> - Initially, may be time-consuming to implement and require resources from relevant directorates to do so. <p>1.3.4 Option 4: Do not re-procure As previously noted the local authority is under statutory duty to provide transport for eligible service users. This includes particular responsibility to transport vulnerable children and young people with special educational needs. Failure to re-procure would leave the local authority open to challenge by Government and could also leave the Council exposed to judicial review in relation to any failure to support young people with SEN. Moreover, the Council would fail to realise savings through ad-hoc purchasing techniques that could be achieved through the use of a joint framework. Without a framework, expenditure tracking across a large range of taxi suppliers will be difficult.</p>

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		<p>No competitive process held when hiring services. The Council cannot identify if they are receiving 'value for money'.</p> <p>1.3.5 Preferred Option: Option three was considered to be the preferred option as it would enable the Council to meet its statutory duty and is the most cost effective with the minimum risk.</p> <p>RECORD OF CONFLICTS OF INTERESTS AND DISPENSATIONS GRANTED None</p>