



# DECISION OF THE EXECUTIVE MAYOR

Monday, 27th July, 2015

at 4.00 pm

Hackney Town Hall - Town Hall

**Decision Maker:**

Mayor Jules Pipe

**Gifty Edila**  
Corporate Director of  
Legal HR and Regulatory Services

**Contact: Jackie Dally**  
Tel: 020 8356 3503  
Email: [Jackie.Dally@hackney.gov.uk](mailto:Jackie.Dally@hackney.gov.uk)

The press and public are welcome to attend

# **AGENDA**

**Monday, 27th July, 2015**

## **ORDER OF BUSINESS**

<b>Item No</b>		<b>Page No</b>
<b>1</b>	<b>SPECIAL URGENCY REPORT PASSENGER TRANSPORT SERVICES FOR VULNERABLE CHILDREN, YOUNG PEOPLE AND ADULTS CONTRACT APPROVAL</b>	1 - 26

## Access and Information

### Location

Hackney Town Hall is on Mare Street, bordered by Wilton Way and Reading Lane.

**Trains** - Hackney Central Station (London Overground) - Turn right on leaving the station, turn right again at the traffic lights into Mare Street, walk 200 metres and look for the Hackney Town Hall, almost next to The Empire immediately after Wilton Way.

**Buses** 30, 48, 55, 106, 236, 254, 277, 394, D6 and W15.

### Facilities

There are public toilets available, with wheelchair access, on the ground floor of the Town Hall.

Induction loop facilities are available in Rooms 102 and the Council Chamber

Access for people with mobility difficulties can be obtained through the ramp on the side to the main Town Hall entrance.

### Copies of the Agenda

The Hackney website contains a full database of meeting agendas, reports and minutes. Log on at: [www.hackney.gov.uk](http://www.hackney.gov.uk)

Paper copies are also from the Governance Services Officer whose contact details are shown on page 2 of the agenda.

### Council & Democracy Website – [www.hackney.gov.uk](http://www.hackney.gov.uk)

The Council & Democracy section of the Hackney Council website contains details about the democratic process at Hackney, including:

- Mayor of Hackney
- Your Councillors
- Cabinet
- Speaker
- MPs, MEPs and GLA
- Committee Reports
- Council Meetings
- Executive Meetings and Key Decisions Notice
- Register to Vote
- Introduction to the Council
- Council Departments

## DEMOCRATIC PROCESS

### Representation

Contact details for all Councillors are available on the website or by calling 020 8356 3207.

Ward Councillors may be contacted at their surgeries or through the Members' Room at the Town Hall (020 8356 3207).

You may also write to any Councillor or a member of the Cabinet c/o Hackney Town Hall, Mare Street, London E8 1EA.

### Scrutiny Procedures

Details are listed in Part 4 of the Council's constitution, see the website for more details or contact the Head of Overview and Scrutiny on 020 8356 3029

### Executive Meetings and Key Decisions Notice

The procedure for taking Key Decisions is listed in Part 4 of the Council's Constitution, available on the website.

The Executive Meetings and Key Decisions Notice showing Key Decisions to be taken is available on the Council's website and at the Town Hall.

### Emergency Procedures

In case of fire or any other emergency the Head of Governance Services or his/her nominated officer will ensure orderly evacuation of all those present in the meeting room. All Members Officers and members of the public should proceed without delay to the assembly meeting point near the car park at the back of the Town Hall where the nominated officer will conduct a count of all who have been evacuated to ensure that all are safe.

### Advice To Members And Officers On Handling Exempt Papers

- Do not photocopy
- Store securely for as long as you hold it
- All papers can be given to Governance Services Officers who will dispose of them appropriately and arrange for them to be recycled
- Note that copies of all exempt papers are held by Governance Services staff.

## ADVICE TO MEMBERS ON DECLARING INTERESTS

Hackney Council's Code of Conduct applies to **all** Members of the Council, the Mayor and co-opted Members.

This note is intended to provide general guidance for Members on declaring interests. However, you may need to obtain specific advice on whether you have an interest in a particular matter. If you need advice, you can contact:

- The Corporate Director of Legal, HR and Regulatory Services;
- The Legal Adviser to the committee; or
- Governance Services.

If at all possible, you should try to identify any potential interest you may have before the meeting so that you and the person you ask for advice can fully consider all the circumstances before reaching a conclusion on what action you should take.

### 1. Do you have a disclosable pecuniary interest in any matter on the agenda or which is being considered at the meeting?

You will have a disclosable pecuniary interest in a matter if it:

- relates to an interest that you have already registered in Parts A and C of the Register of Pecuniary Interests of you or your spouse/civil partner, or anyone living with you as if they were your spouse/civil partner;
- relates to an interest that should be registered in Parts A and C of the Register of Pecuniary Interests of your spouse/civil partner, or anyone living with you as if they were your spouse/civil partner, but you have not yet done so; or
- affects your well-being or financial position or that of your spouse/civil partner, or anyone living with you as if they were your spouse/civil partner.

### 2. If you have a disclosable pecuniary interest in an item on the agenda you must:

- Declare the existence and nature of the interest (in relation to the relevant agenda item) as soon as it becomes apparent to you (subject to the rules regarding sensitive interests).
- You must leave the room when the item in which you have an interest is being discussed. You cannot stay in the meeting room or public gallery whilst discussion of the item takes place and you cannot vote on the matter. In addition, you must not seek to improperly influence the decision.
- If you have, however, obtained dispensation from the Monitoring Officer or Standards Committee you may remain in the room and participate in the meeting. If dispensation has been granted it will stipulate the extent of your involvement, such as whether you can only be present to make representations, provide evidence or whether you are able to fully participate and vote on the matter in which you have a pecuniary interest.

### 3. Do you have any other non-pecuniary interest on any matter on the agenda which is being considered at the meeting?

You will have 'other non-pecuniary interest' in a matter if:

- i. It relates to an external body that you have been appointed to as a Member or in another capacity; or
- ii. It relates to an organisation or individual which you have actively engaged in supporting.

### 4. If you have other non-pecuniary interest in an item on the agenda you must:

- i. Declare the existence and nature of the interest (in relation to the relevant agenda item) as soon as it becomes apparent to you.
- ii. You may remain in the room, participate in any discussion or vote provided that contractual, financial, consent, permission or licence matters are not under consideration relating to the item in which you have an interest.
- iii. If you have an interest in a contractual, financial, consent, permission or licence matter under consideration, you must leave the room unless you have obtained a dispensation from the Monitoring Officer or Standards Committee. You cannot stay in the room or public gallery whilst discussion of the item takes place and you cannot vote on the matter. In addition, you must not seek to improperly influence the decision. Where members of the public are allowed to make representations, or to give evidence or answer questions about the matter you may, with the permission of the meeting, speak on a matter then leave the room. Once you have finished making your representation, you must leave the room whilst the matter is being discussed.
- iv. If you have been granted dispensation, in accordance with the Council's dispensation procedure you may remain in the room. If dispensation has been granted it will stipulate the extent of your involvement, such as whether you can only be present to make representations, provide evidence or whether you are able to fully participate and vote on the matter in which you have a non pecuniary interest.

### Further Information

Advice can be obtained from Gifty Edila, Corporate Director Legal, HR and Regulatory Services, on 020 8356 3265 or email [Gifty.Edila@hackney.gov.uk](mailto:Gifty.Edila@hackney.gov.uk)



FS 566728



<b>PASSENGER TRANSPORT SERVICES FOR VULNERABLE CHILDREN, YOUNG PEOPLE AND ADULTS</b> <b>CONTRACT APPROVAL</b>	
	<b>CLASSIFICATION:</b>  Open  If exempt, the reason will be listed in the main body of this report
<b>WARD(S) AFFECTED</b>  All Wards	
<b>CABINET MEMBER</b>  Cllr Bramble  Children's Services	
<b>KEY DECISION</b>  Yes  <b>REASON</b>  Affects Two or More Wards	
<b>CORPORATE DIRECTOR</b>  Alan Wood, Corporate Director of Children and Young People's Services	

## **SPECIAL URGENCY**

**Pursuant to Regulation 11 of The Local Authority (Executive Authority) (Meeting and Access to Information) (England) Regulations 2012 this report is submitted under Special Urgency.**

**The reason for urgency is:**

This is a statutory service and the directorates need the contracts to be awarded by end of July 2015, to enable them to award journeys (including home to school transport for children and young people with special educational needs and disabilities) for the new academic term 2015/16 in August 2015. During the procurement process, the tender timeframes had to be extended to accommodate tender queries, therefore it was not possible to submit this report to 14 July 2015 Cabinet Procurement Committee (CPC).

## **1. CABINET MEMBERS'S INTRODUCTION**

- 1.1 Ensuring that vulnerable children, young people and adults have safe transport provision is a key part of the Hackney Council's social care model. The Passenger Transport framework facilitates the statutory requirement for children and young people with special educational needs and disabilities to be transported to and from home / school, and supports the demand for specialist transport services for other vulnerable service users across children and adults services.
- 1.2 The previous two separate transport frameworks used by Hackney Learning Trust, and Children and Young People's Service and Health and Community Services were successful in providing safe and best value provision since 2011. The new combined provision will be managed as one framework which will focus on working with transport Providers to ensure robust safeguarding procedures are in place to transport service users safely.

## **2. CORPORATE DIRECTOR'S INTRODUCTION**

- 2.1 Over the last four years, Hackney Learning Trust (HLT) has used a framework of external Providers to fulfil its statutory obligation to provide home to school transport for eligible children. Children and Young People's Services (CYPS) and Health and Community Services (HCS) used a separate framework of external providers delivering transport services for children and young people, and adults with assessed need. This new joint framework agreement for all three departments will allow the Council to ensure application of consistent standards and a joined up continuation of a safe, good quality and value transport provision for eligible service users in the Borough.



- 2.2 The joint framework agreement will help the three departments to continue to streamline transport booking arrangements and should lead to service efficiencies. This will be achieved within the framework through a competitive system of sending requests for quotes in CYPS and HCS, and a mini-competition being carried out every summer by HLT for approved Providers to bid for scheduled home to school journeys.

### **3. RECOMMENDATION(S)**

**3.1 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, in the following categories:**

- **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).

### **4. RELATED DECISIONS**

- 4.1 HPB agreed the RP2 report to progress the procurement of this service in July 2014.

CDM-#7526185-v9-RP2\_Passenger\_Transport\_Services\_2014\_-  
\_FINAL

- 4.2 Delegated Powers Report was approved by the Assistant Director of Procurement and Fleet extending the term of the current CYPS / HCS Framework Agreement for the Provision of Taxi Services until 31<sup>st</sup> July 2015, to ensure the continuity of provision of transport services for vulnerable children, young people and adults with new framework agreement due to be awarded in August 2015.

### **5. REASONS FOR DECISION**

- 5.1 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.

- 5.2 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.
- 5.3 This report will outline the process undertaken to procure a framework of Providers to deliver a safe Passenger Transport Service for vulnerable service users.

## **6. BACKGROUND**

- 6.1 The passenger transport services requirements of CYPS, HCS and HLT include the provision of vehicles, ranging from standard taxi vehicles, to MPVs, to wheelchair accessible mini buses and occasionally up to 32 seater wheelchair accessible buses.
- 6.2 The type of journeys to be provided by the external contractors will fall into two categories: accompanied journeys and unaccompanied journeys.

### Accompanied Journeys

Occur when:

- A social worker, or other person carrying out the role of escort, is required to accompany an eligible adult, child or young person to assessment meetings, day services, colleges, placements, court etc
- A child or young person's statement determines that they require an escort to accompany them on their home to school transport journey or an escort is required for the safety of the child, other passengers or the driver; or
- When a bus is used to transport multiple children or young people to school, college or placements.

### Unaccompanied Journeys

Occur when:

- Children, young people or adult service users go to appointments but they do not require an escort
- There is assessed need for day time transport for Adult Service Users with disabilities
- There are Social Care Department family moves
- Children and Young People are eligible for home to school transport, but they do not require an escort

- Looked After Children are taken to and from boarding schools (start/end term)
- There are some Service User ad-hoc journeys, including to and from respite care, (in/out of Borough)
- There are school trips or group trips for vulnerable services users (which are attended and supervised independently)
- There are occasional ad hoc journeys for staff or carers/family members when authorised by a senior manager to meet the needs of a service user.

(NB Escorts supervise and assist clients with special requirements or behavioural / medical needs).

6.3 The new framework will ensure the safety of service users on all accompanied/ unaccompanied journeys, transport providers will be required to ensure all escorts and drivers assigned to Hackney Council bookings, as well as all providers' office staff, have enhanced Disclosure & Barring Service (DBS) checks.

#### **6.4 Strategic Context:**

6.4.1 Passenger transport services are required for vulnerable children and young people and eligible adults to provide safe and secure transportation. Hackney currently has approximately 260 children and young people for which it provides home to school transport via third party contractors. This is anticipated to increase in 2015/16 to approximately 290 children. The majority of journeys are daily, although some occur weekly or termly and they are primarily to out of borough schools and colleges. In CYPS the main client group are Looked After Children (LAC) being transported to and from school, hospital, as well as contact arrangements with parents. In HCS, taxi services are primarily used by Learning Disabilities Service for clients being transported to and from day activities.

6.4.2 CYPS always encourages service users to use public transport where appropriate. However in CYPS the age and individual family/carer circumstances of a child or young person at risk can often mean that a taxi is the only transport option. Nevertheless, efforts have been successfully made across CYPS to ensure that taxi provision is a last resort and over the last four years, there has been an overall reduction in spend on this provision.

6.4.3 Within education, a family applies to HLT for home to school transport to be provided by HLT and the requirement is matched against the eligibility criteria. Where it is safe and practicable, alternative transport options that will foster independence are considered, or if not then HLT provides home to school transport, either via the Transport Solutions - in-house fleet of buses, or with third party transport providers.

- 6.4.4 Transport Solutions currently provides approximately 135 rounds per day to 470 children and young people with SEND. 113 of these rounds, transporting 290 children, are outsourced to the Providers on the Transport Framework.
- 6.4.5 The Children and Families Act, which sets out the reforms to special educational needs was implemented in September 2014. These reforms enable families with children with special educational needs and disabilities (SEND) to have more input over the services they use.
- 6.4.6 Hackney's Local Offer website sets out information about the services available for children and young people with SEN and disabilities, aged 0 to 25. This includes transport provision for eligible children and young people from home to school.
- 6.4.7 In 2010/11 CYPS successfully tendered a taxi framework contract and five suppliers were awarded contracts in April 2011. This framework, used by CYPS and HCS, ends on 31<sup>st</sup> July 2015.
- 6.4.8 In 2010 HLT procured a framework agreement for passenger transport services where the requirement ranges from a 4 seater taxi with no escort through to large wheelchair accessible vehicles with multiple escorts. Approximately 260 children receive home to school transport via this service. The final call off from this framework was made in August 2014 for the 2014/15 academic year.
- 6.4.9 Currently CYPS/ HCS and HLT operate two separate frameworks for taxi and passenger transport services, with some providers approved as a supplier for both CYPS/ HCS ad-hoc journeys and HLT SEND home-to school transport. The procurement of new joint framework amalgamates the passenger transport usage across the departments and helps realise the potentially significant cost benefits associated with tendering the framework together.
- 6.4.10 It is intended that the new framework agreement will enable departments to continue to streamline passenger transport booking arrangements and should lead to service efficiencies. This will be achieved within the framework through a competitive system of sending requests for quotes in CYPS and HCS, and a mini-competition being carried out every summer by HLT for approved providers to bid for scheduled home-to-school journeys.

## **6.5 Policy Context:**

- 6.5.1 Local authorities must ensure that suitable travel arrangements are made where necessary to facilitate an eligible child's attendance at school. Section 508B of the Education Act 1996 requires local authorities to make such school travel arrangements as they consider

necessary for children within their area. Such arrangements must be provided free of charge. Section 508C of the Act gives local authorities discretionary powers to make school travel arrangements for other children not covered by section 508B. Such transport does not have to be provided free of charge.

6.5.2 Local authorities must publish a transport policy statement each year setting out the travel arrangements they will make to support young people aged 16-19 and learners with learning difficulties and/or disabilities (LLDD) aged up to 25, to access further education. This should include any arrangements for free or subsidised transport.

6.5.3 Adult Social Care has a legal duty to provide transport to service users who are eligible for social care support in certain circumstances, if they have no independent means of self transporting.

**Council priorities: Promote health and well-being for all residents / Raise educational aspirations**

6.5.4 The provision of this service ensures suitable, safe home to school transport for eligible children to facilitate their attendance at school and support their learning. The new specification has been designed to enhance safeguarding and the overall positive experience of transport for Looked After Children, children with Special Education Needs and Disabilities, and all other eligible service users. The assisted transport service enables independence for older people thereby improving their health and wellbeing.

**6.6 Risk Assessment/Management:**

Risk	Likelihood	Impact	Overall	Action to avoid or mitigate risk
	L – Low; M – Medium; H - High			
Procurement overruns and the new contract is not ready for 1/4/15	L	L	L	Procurement of new joint framework took longer than originally planned. Project timetable has been revised to complete the tender by end of July 2015. A good relationship with current providers enabled the Council to agree a short extension until new framework is in place in August 2015.
Loss of existing suppliers if they fail to meet the new	L	M	M	Existing HLT and CYPS operators have been advised to ensure their

standards required				safeguarding policies and practices are robust and up to date as these were a significant requirement for the tender and the new framework.
Parents / carers express concerns that change in transport provider may cause issues of trust and familiarisation for service user where continuity of driver/escort is important	L	L	L	This will be mitigated through clear communication with service users, staff and all other stakeholders.
Changes in legislation covering personalisation reduce demand	L	L	L	The framework agreement will be clear that being an approved provider will not confer any guarantee of any volume of business.

## 6.7 Market Testing (Lessons Learnt/Bench Marking)

6.7.1 Provision of transport services is a competitive market and there are a number of local and regional providers who have proven ability to meet the Council's overall requirements.

## 7. ALTERNATIVE OPTIONS (CONSIDERED AND REJECTED)

7.1 Four options were considered for this procurement – as outlined below:

### 7.2 Option 1: Deliver the provision in-house

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.

#### Advantages

- This would give the Council ready access to the services required, removing the need outsource taxi requirements.

#### Disadvantages

- 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.

### 7.3 **Option 2: Tender the transport service to one lead provider**

#### **Advantages**

- 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

#### **Disadvantages**

- 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.

### 7.4 **Option 3: Create a new joint framework specific to HLT, CYPS and HCS Requirements**

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.

#### **Advantages**

- 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

**Disadvantages**

- Initially, may be time-consuming to implement and require resources from relevant directorates to do so.

**7.5 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. No competitive process held when hiring services. The Council cannot identify if they are receiving 'value for money'.

**7.6 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.

**8. PROJECT PROGRESS**

**8.1 Developments since the Business Case approval.**

There are no further developments to report. The key objectives of the procurement of a framework for passenger transport service are to:

- Provide a safe service to all users
- Provide a passenger assistant when required
- Provide a punctual and timely service
- Provide vehicles that are safe, secure, clean and in good condition
- Ensure all contractors are correctly licensed
- Deliver value for money

The Council has taken the opportunity in this tender to tighten up on Safeguarding including providing safeguarding and safe recruitment training to support Providers to ensure each company has a robust



Safeguarding / Safe Recruitment policy and procedures in place. Providers have also been informed of their responsibility to involve the Local Authority Designated Officer (LADO) if any allegations are made against employees and advise the Council in a timely manner.

## 8.2 Whole Life Costing/Budgets:

	Estimated annual cost
	£
HLT SEND home-to-school transport	1,500,000
HCS ad-hoc taxi services for adults at risk	140,000
HLT mini-bus and coach hire service	135,000
CYPS ad-hoc taxi provision for vulnerable children & young people (including mini-bus and coach hire)	106,000
<b>Total Cost</b>	<b>1,881,000</b>

8.2.1 It is estimated that all directorates currently involved in this project budget approximately an aggregate of £1.9 million per year to provide the required services. The award of a framework will confer no guarantee of business.

8.2.2 Based on a 4 year contract term, the total framework value is estimated to be around £7.5 million, however, as service users opt for personal budgets this contract value may fall over time.

## 9. SAVINGS

9.1 Since the start of the current framework in 2011, CYPS has successfully implemented a booking process for sending out requests for quotes to all transport providers on the framework and therefore continuously benefiting from securing the most competitive prices. Additionally, the ongoing use of Government Purchase Cards (GPC) continues to make efficiency savings in terms of processing time. GPC are held by permanent members of Business Support staff within CYPS.

9.2 It is expected that the savings made from the development of the joint framework will allow for a further reduction in current budget provisions. Under the new framework all departments will continue to run mini-competitions, and send out requests for quotes, for existing and new/revised journeys to ensure value for money.

9.3 The mini-competition process between the 8 providers under Lot 1 (in comparison to 6 under the previous framework) should encourage keen pricing and potentially lower rates. However, it is not anticipated

that any savings will be made on SEND home to school transport due to the increasing number of children requiring transport and because the London Living Wage is now payable under the new framework. Transport Solutions will group people into journeys rather than individual pick-ups as far as practicable in order to keep costs to a minimum.

## **10. SUSTAINABILITY ISSUES**

### **10.1 Equality Impact Assessment and Equality Issues:**

Approved passenger transport providers are required to provide wheelchair accessible transport where necessary and escorts who are trained to manage a range of disabilities and challenging behaviours of service users. Whilst most drivers are male, female drivers are available on request and this has been provided where necessary. Male / female escorts are available on request.

### **10.2 Environmental Issues:**

The environmental issue with the provision of passenger transport services is the carbon emissions generated through the use of private vehicles. The use of public transport where possible will continue to be encouraged; however the specific requirements of the service are such that safety or security issues mean that a taxi or other motor vehicle can sometimes be the only safe form of transport for a vulnerable child, young person or adult.

### **10.3 Economic Issues:**

Use of local taxi firms provides local employment and business sustainability. With the re-tender the winners will require local drivers with local knowledge therefore we do not anticipate any reduction in local employment. The bids received from all Providers confirmed that as a minimum they would be paying their staff, including escorts, the London Living Wage, currently set at £9.15.

## **11. TENDER EVALUATION**

### **11.1 EU Implications**

11.1.1 Provision of transport services is classified as a category A service, therefore this procurement was advertised in the Official Journal of the European Union (OJEU) and is subject to the European Rules and regulations for procurement. The tender was also advertised through the Council's Website, Contracts Finder.

### **11.2 Procurement Strategy**

11.2.1 Tender of the new framework was divided into three areas listed below. Operators were given the option of applying for Lot 1, Lot 2, Lot 3 or all three.

- Lot 1: home-to-school transport for children and young people with SEND (with and without the escort requirement) - taxis and minibuses
- Lot 2: ad-hoc journeys (may include some repeat bookings) for service users to meet assessed need (with and without the escort requirement),
- Lot 3: mini bus and coach hire services for ad-hoc journeys as and when required for e.g. school trips, Young Hackney service users' trips to Kench Hill.

11.2.2 To ensure compliance with EU directives as a Part A service the procurement was carried out as follows:

- Procurement developed the specification in consultation with the relevant service managers across the three areas;
- An OJEU Contract Notice was placed as well as advertisements on Contracts Finder, Hackney Council Tenders webpage, and amongst existing operators to generate sufficient response to fulfil the current service levels. The OJEU advertisement was for a restricted tender, as the market for passenger transport services is a competitive one. Officers conducted the tender exercise in the following way:
  - Issued a Pre-Qualification Questionnaire (PQQ) to all Providers who expressed interest in the tender
  - Evaluated the PQQs to shortlist bidders who met the pass threshold
  - Issued an Invitation to Tender (ITT) to shortlisted bidders
  - Evaluated tenders based on both quality and price.

11.2.3 To encourage a good response that includes local business, the procurement process was simplified as far as possible whilst maintaining principles of compliance, transparency and fairness.

### 11.3 Evaluation

11.3.1 **Tender Evaluation Team:** The team assessing the tender comprised of:

<b>Tender Evaluation Panel</b>
Head of Service Transport Solutions, Hackney Learning Trust
Strategic Business Lead, Safeguarding and Learning, Children & Young People's Services
Head of Integrated Learning Disabilities, Health and Community Services

<b>Tender Evaluation Panel</b>
Senior Corporate Procurement Officer, Hackney Learning Trust

11.3.2 **Evaluation Criteria:** The evaluation of the ITT submissions for all three lots was based on the following criteria:

<b>CRITERIA</b>	<b>% WEIGHTING</b>
<b>Quality:</b>	<b>60%</b>
Service Delivery (Staffing, Vehicles, Timekeeping & Flexibility, Communications, Incident and Allegation Management & Reporting)	45%
Performance and Contract Management	15%
<b>Price:</b>	<b>40%</b>

11.3.3 Twenty-four copies of the PQQ were downloaded from the Council website. A total of 14 PQQs were returned and evaluated by the Tender Evaluation Panel. Of these, Lot 1 – 9, Lot 2 – 6, and Lot 3 – 7 met the pass threshold and were invited to tender. Please see Exempt Appendix B for a list of Bidders.

11.3.4 The Council anticipated that the top 6 scoring bids will be awarded contract for Lot 1, top 5 scoring bids will be awarded contract for Lot 2, and top 6 scoring bids will be awarded contract for Lot 3. However, fewer tenders were received as three bidders who passed the PQQ did not submit an ITT. It is recommended that the following number of operators is approved for the framework: 8 operators for Lot 1, 5 operators for Lot 2, and 5 operators for Lot 3. Please see Exempt Appendix A – Table 1 – for a list of bidders recommended for contract award.

#### **11.4 Safeguarding**

11.4.1 The use of transport for children and young people has been a significant issue in reports on Child Sexual Exploitation (CSE) e.g. Oxfordshire and Rotherham, which has led to wholesale review of the licensing and police checking of proprietors, drivers and escorts and a requirement for companies to explain their checking and training plans for staff.

11.4.2 In the tender evaluation Panel's reading and examination of all tender submissions they focused on the above factors, in addition to issues resulting from the Winterbourne exposé. Attention was given to processes for vetting and checking and marked accordingly. There was proportionate scrutiny applied to this section.

11.4.3 Furthermore, whilst Safeguarding has always been at the forefront of this contract the Council has taken the opportunity to ensure there is a stronger focus on safer recruiting, training and the safeguarding

procedures of the Providers. The new specification includes the City and Hackney Safeguarding Children Board's (CHSCB) guidance on minimum expectations for safe recruitment procedures. Also how Providers deal with any allegations including notifying the Local Authority Designated Officer (LADO) and the Contract Manager within agreed timescales. Safeguarding will be a standing item on contract monitoring meeting agendas.

11.4.4 The taxi monitoring service will carry out on road spot checks, which incorporates checking that drivers and escorts have enhanced DBS checks. One of the key performance indicators will allow the Council to monitor on a quarterly basis that staff have completed the relevant safeguarding training, as specified in our contract minimum requirements.

11.4.5 In addition to the above the following has been added to the specification to address the licensing and police/DBS checks:

- Contractors must undertake an enhanced Disclosure and Barring Service (DBS) check for all drivers and escorts, management and office staff, and this must be updated every three (3) years. The Contractor must undertake DBS checks for new drivers regardless if a new driver has just had his/hers DBS check carried out as part of the PCO licence application with Transport for London.
- In cases where: convictions, cautions, warning and reprimands, and/or ISA/DBS Barred list information, or any other relevant information has been disclosed on the DBS certificate, or disclosed by staff whilst in employment, the Contractor will need to consult Hackney LADO (Local Authority Designated Officer) before engaging the driver/escort on Hackney jobs. The LADO will review the details of the disclosure and make recommendation to the Authorised Officer who will make the final decision whether or not the driver/escort can work on Hackney Council jobs. Staff shall not undertake work for this Contract until the Contractor receives clearance from the Authorised Officer. The Authorised Officer will aim to provide the decision with 14 days of any queries regarding the offence/s being answered.

## **11.5 Recommendation**

11.5.1 The recommended Providers demonstrated substantial experience, a quality proposal for service delivery and a price that meets Council requirements. The quality: price ratio for tender evaluation was set at 60:40 with a maximum of 60 marks for quality and 40 marks for price. Quality was very important at the tender stage because officers subsequently secure the lowest price through the evaluation of quotes across all providers (i.e. regular mini-competitions and requests for quotes) to ensure value for money. Please see Exempt Appendix A – Tables 2 – 4 for a summary of the scores.

- 11.5.2 Compared with the number of service users who need specialist transport under the current framework, HLT anticipates that the number of children and young people who require specialist transport will increase. Moreover, the size of the fleet and vehicles varies across the 8 bidders. Out of the 8 Providers, 3 would not be able to bid for journeys which require wheelchair accessible vehicles, and 2 Providers can only provide cars up to 7 seats capacity.
- 11.5.3 The top scoring bidder under Lot 1 has the largest fleet of vehicles, however insufficient staffing at present as drivers and escorts will not be recruited until confirmation of rounds awarded just before the service starts in September 2015. The risk of Provider G not being able to recruit sufficient number of drivers / escorts at a short notice would be mitigated by the rounds being covered by any of the other approved Providers on the new framework.
- 11.5.4 To allow all departments to ensure that there is sufficient provision for all service users who require specialist transport, the preferred option is to award the contract to the 8 Providers listed in the Exempt Appendix A – Table 1.

## **12. PREPARATION OF THE NEXT STAGE OF PROCUREMENT**

### **12.1 Resources and Project Management**

12.1.1 Over the coming weeks, mobilisation meetings will be held with the successful Providers to establish requirements for the service. The contract will be let for 4 years, with an option to renew annually, subject to performance. Six out of the 8 Providers recommended for award are the current providers.

12.1.2 As part of the service implementation the Council will ensure that the two new providers understand the booking, payment and management procedures prior to contract commencement on 05<sup>th</sup> August 2015. It is expected that the impact upon service users and staff will be limited because of the experience of the successful Providers in delivering specialist transport provision.

12.1.3 The CYPS Commissioning and Contracts team will support the implementation meetings with Providers and ensure that contracts are executed. Contract terms and conditions have been developed by the Legal Team and a draft of this has been shared with the bidders at the ITT stage.

### **12.2 Contract Management and Key Performance Indicators:**

12.2.1 The contract will be managed by CYPS Strategic Business Lead, HLT Head of Transport Solutions and HCS Head of Integrated Learning Disability Services (ILDS), supported by the CYPS/HLT Commissioning and Contracts Teams. Regular quarterly review meetings will be used to review service delivery and performance against required service

levels and Key Performance Indicators (see Public Appendix A).

**Service Monitoring:**

12.2.2 CYPS and HCS will engage an independent provider to carry out unannounced spot checks of the transport service provision delivered under the new transport service framework. The Transport Monitoring Services will include comprehensive 'on road' driver and vehicle inspections (these will cover all the KPIs listed below), and monitoring visits to the Providers' offices to check policies and procedures, to ensure compliance with the transport framework agreement. HLT has an officer in-house who will carry out audits and spot checks on the home to school transport contractors' driver, escorts and vehicles.

***KPIs – inspected by the taxi monitoring service:***

- The taxi contract provides safe service to all:
  - Hackney Carriage Licences checked
  - Drivers' Licences checks
  - Valid Road Tax
  - All drivers and escorts to have enhanced DBS clearance (renewed every 3 years)
  - MOTs and insurances in place
  - Safety equipment in place and working (child locks, car seats, seatbelts etc)
- Escorts provided when requested. Escorts have in date enhanced DBS check (renewed every 3 years).
- The taxi contract provides punctual service: taxis arrive at the pick up at the specified time.
- Vehicles used for the provision of the service are in a good condition both inside and out.
- Drivers and escorts are suitably attired.

These will also be measured using monthly contractor reports and service users' feedback.

***KPIs managed as part of regular contract monitoring:***

- Monthly or quarterly journeys management information submitted to the Council in timely manner.
- Providers response to enquiries/ complaints in accordance with agreed timescales.
- Minimal number of complaints received from service users / staff.

**13. COMMENTS OF THE CORPORATE DIRECTOR OF FINANCE AND RESOURCES**

13.1 This report makes recommendations for a new four year framework agreement for provision of passenger transport services for vulnerable children, young people and adults in Hackney. This option of procurement maximises efficiency via all the demand within LBH for

this service going through a single framework. The new arrangements will commence from August 2015.

- 13.2 As demonstrated by table 8.2, HLT will be the significant user of the new framework. The figure shown as £1.5m is a guide only and the actual spend reflects the number of pupils/students being transported. The costs of point-to-point travel is expected to be broadly in line with current costs incurred by HLT.
- 13.3 It is not anticipated that this procurement will produce significant savings in HLT. Other strategies are being introduced around independent travel training, personal transport budgets and a review of eligibility to address rising costs.
- 13.4 The mix of outsourced and in-house education rounds is a strength of the service, giving the Council an alternative to complete reliance on the market which has proved costly elsewhere. This mix enables rounds to be planned to maximise use of the council's own fleet of vehicles and experienced staff, with outsourced rounds giving flexibility to respond to fluctuations in numbers on individual rounds throughout the academic year.
- 13.5 Taxi spend within the **Health and Community Services** directorate is incurred solely within the Learning Disabilities service area, and has decreased significantly in recent years, to circa £140k.
- 13.6 The **Children and Young People Services** directorate budget for the Taxi framework is £140k as identified in table 8.2 above. In 2014/15 the service delivered a £54k underspend and there are no immediate demand pressures in the service that would see the budget overspending. However, over the 4 years of the framework contract, this underspend might not be recurring.

#### **14. COMMENTS OF THE CORPORATE DIRECTOR OF LEGAL, HR AND REGULATORY SERVICES**

- 14.1 The Mayor is asked to agree the recommendations in paragraph 3 of this Report regarding the appointment of providers for the Passenger Transport Services for Vulnerable Children, Young People and Adults.
- 14.2 The Council has undertaken a procurement process to award framework agreements to the providers set out in this Report. Framework agreements are permitted under Regulation 33 of the Public Contracts Regulations 2015. Legal Services will assist with the drafting and execution of agreements in due course.

#### **15. COMMENTS OF THE DIRECTORATE PROCUREMENT MANAGER**



- 15.1 The report asks the Mayor to agree the recommendations as outlined in section 3 to award the framework agreement to providers of transport services for vulnerable adults, children and young people.
- 15.2 The Procurement consisted of 3 Lots as mentioned in recommendation, has followed and completed successfully a full Category A Office Journal of European Union procurement procedure with 2 stages namely prequalification and Invitation to tender, resulting in 8 suppliers for the Lot 1, 5 for Lot 2 and 5 for Lot 3.
- 15.3 This is a statutory requirement and has seen a satisfactory procurement process, it also needs to be in place for 30<sup>th</sup> of July 2015 in order for the competitions to take place for the school term 2015/16, and on these basis I agree the recommendations.

## APPENDICES

Appendix A – Key Performance Indicators

Appendix B Exempt – Summary of Scores

Appendix C Exempt – Shortlist and longlist from PQQ stage

## EXEMPT

By Virtue of Paragraph(s) 2 Part 1 of schedule 12A of the Local Government Act 1972 appendices B and C are exempt because they contain information which is likely to reveal the identity of individual and it is considered that the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

## BACKGROUND PAPERS

None.

<b>Report Author</b>	<p>CYPS - Dawn Jones - 020 8356 3881 <a href="mailto:dawn.jones@hackney.gov.uk">dawn.jones@hackney.gov.uk</a></p> <p>HLT – Rachel Mattimoe - 020 8820 7038 <a href="mailto:Rachel.Mattimoe@learningtrust.co.uk">Rachel.Mattimoe@learningtrust.co.uk</a></p> <p>HCS - Mike Corrigan – 020 8820 3798 <a href="mailto:mike.corrigan@hackney.gov.uk">mike.corrigan@hackney.gov.uk</a></p>
<b>Comments of the Corporate Director of Finance and Resources</b>	<p>HLT -Yusuf Erol, 020 8820 7068 <a href="mailto:Yusuf.Erol@learningtrust.co.uk">Yusuf.Erol@learningtrust.co.uk</a></p> <p>CYPS – Hamza Yusuf, 020 8356 3651 <a href="mailto:hamza.yusuf@hackney.gov.uk">hamza.yusuf@hackney.gov.uk</a></p> <p>HCS – James Newman, 020 8356 5154 <a href="mailto:James.newman@hackney.gov.uk">James.newman@hackney.gov.uk</a></p>

<b>Comments of the Corporate Director of Legal, HR and Regulatory Services</b>	Patrick Rodger – 020 8356 6187 <a href="mailto:Patrick.rodger@hackney.gov.uk">Patrick.rodger@hackney.gov.uk</a>
<b>Comments of Departmental Procurement manager</b>	Rizwan Khalid – 020 8356 3181 <a href="mailto:rizwan.khalid@hackney.gov.uk">rizwan.khalid@hackney.gov.uk</a>

## Appendix A – Key Performance Indicators

KPI no.	Objective	KPI	Measure of satisfactory progress / Target	Reporting Frequency
1	Transport Contractors deliver safe service to all users	% Drivers, Escorts and Vehicles meet the required service standards	All journeys inspected meet 100% of all the service standards  (NB: PERFORMANCE FOR THIS KPI WILL BE MONITORED AND REPORTED AS PART OF THE TAXI MONITORING SERVICE)	Monthly review of taxi monitoring service inspection reports
2	Transport Contractors deliver punctual service	% of journeys arrive at the pick up point at the specified time	For 95% of journeys taxi arrived no later than the pick up time specified for the booking  (NB: IN ADDITION TO CONTRACTORS SUBMITTING MONTHLY MONITORING REPORTS ON JOURNEYS, PERFORMANCE FOR THIS KPI WILL BE MONITORED AS PART OF THE TAXI MONITORING SERVICE)	Monthly journeys monitoring reports  and a review of taxi monitoring service reports
3	Timely return of data to the Authorised Officer	% Monthly journeys monitoring reports provided to the Authorised Officer by no later than 15th month following the month reported.	100% of journeys monitoring reports submitted within specified time	Quarterly
4	Contractor staff working on Hackney jobs have Safeguarding Training	% of drivers, escorts and office staff with safeguarding training completed within 3 months of commencement of contract.	90% drivers, escorts and office staff completed safeguarding training within 3 months of commencement of contract; and 100% then after.	Quarterly
5	Complaints dealt with effectively and in a timely manner.	Complaints must be recorded and reported to the Authorised Officer within 24hrs of being received, and formal response issued within 14 calendar days (including copy to the Authorised Officer).	100% complaints:  a) recorded and reported to the Authorised Officer within 24 hrs, and  b) formal response issued within 14 calendar days (with a copy to the Authorised Officer).	Quarterly

This page is intentionally left blank

Document is Restricted

This page is intentionally left blank