

Title of Report	SEND DPS Transportation
Key Decision No	CACH Q30
CPC Meeting Date	13 Mar 2023
Classification	Exempt - Appendix A This appendix gives details of all providers showing an interest and recommended for acceptance to the DPS with all scores.
Ward(s) Affected	All
Cabinet Member	Cllr Caroline Woodley, Cabinet Member for Families, Parks and Leisure.
Key Decision	<p>Yes</p> <p>This results in the Council incurring expenditure or savings which are significant having regard to the Council's budget for the service/function. Significant in terms of its effects on communities living or working in an area comprising two or more wards.</p>
Group Director	Jacque Burke, Group Director for Children and Education

1. Cabinet Member's Introduction

- 1.1. Hackney Education (HE) has a statutory obligation to provide home to school transport for eligible children, and transport services are provided to vulnerable children and young people in both the Children and Families Service (CFS) and Adult Social Care (ASC). The mission of Passenger Transport Services for all Council departments is to ensure the continuation of a good quality and good value transport provision for eligible service users in the borough. The annual spend covered under this report is approximately £2.9 million (spend dependent on routes and need of the residents).
- 1.2. This paper is seeking approval to award Contracts for: SEND Home to School journeys with or without passenger assistants, ad-hoc taxi journeys for service users to meet assessed needs and ad-hoc mini bus and coach hire, via a Dynamic Purchasing System (DPS) that allows providers to join on an ongoing basis. This compliant route to market has been established through a procurement exercise as a single authority procurement (Hackney Council only). Hackney is committed to improving outcomes for Hackney residents and has taken this approach with regard to the guidance within the SEND Code of Practice 2015, to improve consistency of support and value for money. This approach was endorsed by the Cabinet Procurement Committee.
- 1.3. Due to the nature of the DPS, delegated authority is also sought to enable the teams: Children and Family Services, Integrated Learning and Disability Services, Adult Social Care and Hackney Education the authority to award routes under the DPA. In addition to recommending that the lead team from Children and Family Services, SEND Travel Assistance, oversees the admission of future providers to the DPS.
- 1.4. The introduction of a Dynamic Purchasing System (DPS) will enable departments to streamline passenger transport booking arrangements providing service efficiencies and continued development of the marketplace. This will also promote competition in the marketplace providing the Council with cost efficiency. This will be achieved within the DPS through a competitive system of requests for quotes, for ad hoc taxis and mini buses, and a mini-competition being carried out every summer by Hackney Education for approved providers to bid for scheduled home-to-school journeys.

2. Group Director's Introduction

- 2.1. The Council has a statutory obligation to provide, free of charge, home to school transport for a child or young person who is eligible. The taxi service for vulnerable children and adults is a key service provided by the

Council. The implementation of a corporate taxi and passenger services contract underlines commitment to achieving best value for the Council.

- 2.2 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. The majority of journeys are daily, although some occur weekly or termly and they are primarily to out-of-borough schools and colleges. In CFS the main client group is Looked After Children (LAC) being transported to and from school, hospital, as well as contact arrangements with parents. In ASC, taxi services are primarily used by Learning Disabilities Service for clients being transported to and from day activities.
- 2.3 CFS and ASC always encourages service users to use public transport where appropriate. However, the age, health, ability and individual family/carer circumstances of a child or adult at risk can often mean that a taxi or organised transport is the only transport option. Nevertheless, efforts have been successfully made across CFS to ensure that commissioned provision is a last resort and over the last four years, there has been an overall reduction in spend on this provision.
- 2.4 Within education, a family applies to Hackney Education for home to school transport to be provided by Hackney Education 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 Hackney Education provides home to school transport, either via the in-house fleet of buses, or with third party transport providers.
- 2.5 The Children and Families Act, which sets out the reforms to special educational needs was implemented in September 2014, and this had a significant impact on the demand for and provision of home to school transport for children with a statement or an education, health and care plan.
- 2.6 The reforms provided families with children with special educational needs and disabilities (SEND) more control over the services they use. All local authorities publish a 'Local Offer' which outlines the services available to families with children with special educational needs and disabilities, and how they can use their personal budget.

3. Recommendations

- 3.1. **It is recommended that the providers listed in Appendix A, who have passed the Supplier Questionnaire ("SQ") and the minimum Quality score, are admitted to the Dynamic Purchasing System for the Lot that they applied for and were evaluated against.**

- 3.2 It is recommended that the Head of SEND is granted delegated authority for the admission of any future providers who submit a bid response and are evaluated in line with the process as outlined in this Report.**
- 3.3 It is recommended that the subsequent routes and ad-hoc journey requirements and the associated spend are approved as per the scheme of delegation in the individual teams.**

4. Related Decisions

- 4.1. Business Case Report to Cabinet Procurement Committee - 11th March 2020

5. Reason(S) For Decision/Options Appraisal

- 5.1. Approval to award contracts, and subsequent routes as a result of the DPS is being sought from Cabinet Procurement & Insourcing Committee following the successful establishment of the DPS via the London Tenders e-tendering portal.
- 5.2. This procurement process is subject to the Light Touch Regime outlined in the Public Contracts Regulations 2015. The total estimated value of the DPS is £11.6m for the 3+1 year term.
- 5.3. A DPS allows providers to apply to join throughout the life of the contract period. This offers flexibility for providers to continue with an application if initially rejected, once the improvements have been made, giving the Council the option to add further providers onto the DPS to ensure an adequate number of providers is available, giving both continuity of provision and encouraging ongoing testing of value for money.
- 5.4. The competitive process of developing the DPS will ensure that the Council is receiving "value for money". It provides a one stop shop for directorates to purchase the required services saving on resources required to tender and manage separate arrangements. The DPS will also enable a greater control of spend.
- 5.5. The main objectives of the 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, legal, secure, clean and in good condition;
 - Ensure all contractors are correctly licensed;
 - Deliver value for money.

5.6 In order to provide Hackney with the required coverage admittance to the DPS is constructed as identified:

- LOT 1: Home to school transport for SEND children and young people (with and without the passenger assistant requirement) - Minibuses, People Carriers and/ or Taxis.
- LOT 2: Ad-hoc journeys (may include some repeat bookings) for service users to meet assessed need (with and without the passenger assistant requirement).
- LOT 3: Minibus and Coach hire services for ad-hoc journeys as and when required for e.g. school trips and Young Hackney service user trips.

6. Project Progress

6.1. **Whole Life Costing/Budgets:**

HACKNEY EDUCATION

ROUTE	2018/19	2019/20	2020/21	2021/22	Spend to date (Nov 22)
LOT 1 - Home to School Transport	255,999	270,302	177,556	384,561	381,066
LOT 2 - Ad hoc taxi journeys for assessed needs	1,995,013	2,306,632	1,631,758	2,720,655	1,877,544
LOT 3 - Ad hoc mini bus and coach hire	0	0	0	0	0
	2,251,012	2,576,934	1,809,314	3,105,216	2,258,610

CHILDREN AND FAMILIES SERVICE

ROUTE	2018/19	2019/20	2020/21	2021/22	Spend to date (Nov 22)
LOT 1 - Home to School Transport	15,441	9,923	54,329	115,972	17,462
LOT 2 - Ad hoc taxi journeys for assessed needs	315,202	426,109	346,374	862,969	502,013

LOT 3 - Ad hoc mini bus and coach hire					0
	330,643	436,032	400,703	978,941	519,475

ADULT SOCIAL CARE

ROUTE	2018/19	2019/20	2020/21	2021/22	Spend to date (Nov 22)
LOT 1 - Home to School Transport					
LOT 2 - Ad hoc taxi journeys for assessed needs	204,873	275,250	120,112	147,397	163,641
LOT 3 - Ad hoc mini bus and coach hire					
	204,873	275,250	120,112	147,397	163,641

7. Sustainability Issues

Procuring Green:

- 7.1.1 The main 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.
- 7.1.2 As part of the qualification process providers were required to outline their current fleet make up and the commitment to the use and development of low emission vehicles or alternative fuels in order to reduce the environmental impact.

Procuring for a Better Society:

- 7.2.1 Use of local firms will provide local employment and business sustainability. For ad-hoc requirements the providers will need to ensure local knowledge and the availability of local personnel.
- 7.2.2 Splitting the opportunity into 3 categories makes the contract more accessible to smaller and local suppliers without increasing costs or reducing quality control. Keeping admission to the DPS open will enable

future local providers to come onto the DPS giving local businesses opportunities.

Procuring Fair Delivery:

- 7.3.1 The providers are required to confirm staff employed to deliver the services detailed in this report receive as a minimum the London Living Wage (LLW).
- 7.3.2 Potential providers recruitment policies and procedures across all personnel: drivers, staff and passenger assistants, were tested as part of the procurement process and all providers were required to confirm that appropriate safeguarding policies were in place.

Equality Impact Assessment and Equality Issues:

- 7.4.1 The admitted passenger transport providers are required to provide wheelchair accessible transport where necessary and passenger assistants who are trained to manage a range of disabilities and challenging behaviours of service users. Whilst most drivers are male, female drivers are available as are male or female passenger assistants as required.
- 7.4.2 The providers were required to confirm their Equality training and policies and procedures. In addition to a clearly identified process for the receipt of feedback and complaints to ensure both service users and provider personnel are supported.

8. Alternative options (considered and Rejected)

- 8.1. **Option 1: Do nothing** - This option was considered and rejected because, as previously noted, the Council is under a statutory duty to provide transport for eligible service users. This includes responsibility to transport vulnerable children and young people with special educational needs (SEN) and also residents with an assessed need requiring transportation to support them.
- 8.2. **Option 2: In-Sourcing** - This option was considered in terms of bringing the staff in house, employing staff required to provide the service and leasing of vehicles. This option was rejected. The cost implications of employing and setting up a team, buying and/or leasing vehicles and buying additional space was felt to be prohibitive. In addition it was assessed that in order to provide the flexible coverage required for the routes would still necessitate having an external provider.
- 8.3. **Option 3: Create a new Council wide Framework** - This option was considered and rejected with the flexibility of a Dynamic Purchasing System being agreed as the preferred option due to it providing a flexible

approach for providers to continually apply for admittance. New providers are encouraged to the market as the opportunity remains open.

- 8.4. **Option 4: Tender the transport and taxi service to one Lead Provider**
 - This option was considered but rejected as the outcome required is to create competition in the market, to engage with quality providers and give choice to the service users and Hackney Education.

9. **Tender Evaluation**

- 9.1 At the outset of the process there were 14 expressions of interest. This enabled the Council to understand the interest in the market and facilitate any further awareness of the opportunity required.
- 9.2 In the initial Round 8 providers submitted a bid, 1 provider submitted in Round 2 and 1 Provider in Round 3. A provider from Round 1 did not pass the requirements of the Supplier Questionnaire. Hackney continues to work with the provider to improve the submission. Providers from Rounds 2 & 3 passed the SQ section.
- 9.3 The responses to the ITT questions were submitted to the evaluation team for review. The evaluation teams were: Business Development & Support Manager, Young Hackney, Contract Officer Children & Families, Head of Hackney SEND Travel Assistance, Transport & Planning Coordinator Hackney SEND Travel Assistance Service.
- 9.4 Responses were evaluated on the criteria in the table below. The requirements for scoring were clearly explained within the ITT document:
- 9.5 The evaluation, moderation and clarification was done in line with the published criteria and weightings. Providers were required to attain a greater than 60% quality score to gain admission to the DPS.
- 9.6 Following the evaluation the following providers achieved the minimum quality score:

SUPPLIER	LOT 1	LOT 2	LOT 3
A	80.1	81	78.5
B	80.1	65.1	78.5
C	90.5	62.4	78.5
D	83	65.2	74.4
E	80	77.8	80
F	91.5	76.2	67.4
G	77.7	61.7	78.5

H	87.5	65.8	80
I	77.6	80.2	80

9.7 There is no pricing element to the evaluation, as noted competitions are undertaken for home to school routes and mini competitions for ad hoc journeys.

10. Contract management arrangements

10.1. Resources and Project Management (Roles and Responsibilities)

10.1.1. The ongoing management of the DPS process will be held by the Head of Hackney SEND Travel Assistance with the input from each of the departments required for any evaluations. As a minimum, termly review meetings will be held with each of the providers at which performance against the KPI detailed below will be discussed.

10.2. Key Performance Indicators and Performance Management

10.2.1 There are a number of provisions in the Contract with regards to performance management and KPI's applicable to all providers admitted to the DPS. This ensures a consistent approach to the management of the providers. The Contractors have an obligation to: have monitoring processes for complaints, good practice, service user feedback. In addition to the ability of the Travel Assistance team to undertake unannounced spot checks on the services.

10.2.2 The initial set of key performance indicators (KPIs) were identified in the tender process. As part of the Contract Management process the KPIs will be reviewed at the first year anniversary and agreed and amended as required. The performance measures are designed to ensure the integrity of the DPS and maintain the quality of those providers admitted to the DPS, with the provision of remedial action plans to be put in place where required.

The KPIs are as identified below:

Objective	Performance Measure (KPI)	Methodology
Contractor provides a reliable and punctual service	1. Drivers arrive at the pick up at the specified time.	Feedback from Users of the service
	2. Consistency of Drivers and Passenger Assistants	Monthly Contractor reports

		Random sampling carried out by HE
Contractor provides a safe service	1. Compliance with Driver Requirements 2. Compliance with Passenger Assistant Requirements 3. Compliance with Vehicle Requirements	Feedback from Users of the service Monthly Contractor reports Random sampling carried out by HE

10.2.3 Working in partnership with admitted providers the SEND team will also monitor individual EHCP outcomes including absence, persistent absence incidents and accidents which in turn will assist in the development of the quality service.

10.2.4 In addition Hackney is committed to working with the providers: reviewing staff data in terms of turnover, staff qualifications, DBS checks and any staff issues and feedback.

11. Comments Of Group Director Of Finance And Corporate Resources

11.1. The recommendation of this report is to seek approval to award contracts to the Providers listed in Appendix A for Lots 1-3 (outlined in section 5.15 of the report) via a Dynamic Purchasing System (DPS) that will allow providers to continue to join the DPS on an ongoing basis during the life of the contract. The DPS will commence from 1 April 2023 for a period of up to four years.

11.2. The DPS will be available to Hackney Education, Children and Family Services and Adult Social Care. The total estimated value of the DPS is £8.7m for a 3 year term and a further £2.9m for an additional fourth year. The council spent £4.2m overall within Hackney Education, CFS and ASC in 2021/22 on home to schools transport and taxi journeys for assessed needs, and the bulk of the expenditure is within SEND and CFS (£2.7m and £0.9m respectively). An overall summary is provided in the table below with a breakdown by directorate contained in section 6.2 of the report.

	2018/19	2019/20	2020/21	2021/22	Spend to date (Nov 22)
LOT 1 - Home to School Transport	271,440	280,225	231,885	500,533	398,528
LOT 2 - Ad hoc taxi journeys for assessed needs	2,515,088	3,007,991	2,098,244	3,731,021	2,543,198

LOT 3 - Ad hoc mini bus and coach hire	0	0	0	0	0
Total	2,786,528	3,288,216	2,330,129	4,231,554	2,941,726

11.3. SEND transport costs are forecast to overspend in 2022/23 by circa £1.6m due to price increases linked to fuel cost inflation. Although budgetary savings may not be achieved from this DPS, introducing competition by making a range of suppliers available will increase efficiencies and improve value for money and will help to manage overspend pressures within this area.

11.4 The subsequent recommendations of this report to grant delegated authority to the Head of SEND for the admission of any future providers onto the DPS and that associated spend are approved as per the Scheme of Delegation in respective service teams are endorsed from a financial perspective, and will be monitored through monthly budget monitoring.

12. Vat implications on Land & Property Transactions

12.1. N/A

13. Comments of the Director, Legal & Governance Services

13.1. The services which were procured as set out in this Report were assessed as Medium Risk. However, under paragraph 2.7.11 of Contract Standing Orders the Chair of Hackney Procurement Board has discretion to refer any Gateway Business Case or Contract Award for decision by Cabinet Procurement & Insourcing Committee if they deem it appropriate. The Chair of Hackney Procurement Board exercised that discretion, and therefore the Business Case Report for this matter was approved by Cabinet Procurement Committee on 11th March 2020. Paragraph 2.7.7 of Contract Standing Orders states that, in respect of procurements with a risk assessment of "Medium Risk", Cabinet Procurement and Insourcing Committee will determine the award of contracts above the value of £2m. The estimated maximum value of the contracts in this Report is above £2m so therefore Cabinet Procurement and Insourcing Committee can agree the recommendations in this Report.

13.2. It is intended to appoint the providers named in this Report to the Dynamic Purchasing System (DPS). Under a DPS all the candidates satisfying the selection criteria shall be admitted to the system. Furthermore, the system must be open throughout the period of validity of the DPS to any economic operator that satisfies the selection criteria and therefore further potential providers may be added during its term, as mentioned in paragraph 3.2. Paragraph 2.2 ii) of the Cabinet Procedure Rules states that "If the Elected Mayor delegates functions to a Committee of the Cabinet, unless they direct otherwise, the Committee may delegate further to an officer." Therefore, subject to the approval of Cabinet Procurement

and Insourcing Committee, the Head of SEND may admit any further providers, who submit a compliant response to the Council, to the DPS.

- 13.3. Any awards of contract for services under the DPS, as mentioned in paragraph 3.3, will be made in accordance with the provisions of the Constitution, including the General Scheme of Delegation.

14. **Comments Of The Procurement Category Lead**

- 14.1. The procurement LOTS were advertised and managed in full compliance of the Public Contract Regulations 2015, via the ProContract web portal and in line with Hackney Contract Standing Orders.
- 14.2. Compliance checks were undertaken by the Sr Procurement Category Manager and the quality evaluation was undertaken by experienced officers and scores were moderated at a meeting facilitated by the Sr Procurement Category Manager.
- 14.3. References submitted by the successful tenderer were checked. They were found to be true and accurate and financial standings were checked against Hackney's 'Economic and Financial Standing Evaluation' criteria.
- 14.4. The ongoing management of the DPS process will be held by the Head of Hackney SEND Travel Assistance with the input from each of the departments required for any evaluations therefore, the award of this Dynamic Purchasing System is endorsed for the reasons stated above.

Appendices

- Appendix A**
- List of Providers (Exempt)
 - List of Short Listed Suppliers
 - Breakdown of Quality and Price Scores CAT 1
 - Breakdown of Quality and Price Scores CAT 2
 - Breakdown of Quality and Price Scores CAT 3
 - Price Comparison (Not Used)
 - Suppliers Showing Interest

Exempt

By Virtue of Paragraph(s) 3 Part 1 of schedule 12A of the Local Government Act 1972 this report and/or appendix is exempt because it contains Information relating to the financial or business affairs of any particular person (including the authority holding the information) and it is considered that the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

Background documents

NONE

Report Author	Name: Joe Wilson _____ Title: Head of SEND _____ Email: Joe.Wilson@hackney.gov.uk _____ Tel: 07766 922 957
Comments for the Group Director of Finance and Corporate Resources prepared by	Name: Sajeed Patni _____ Title: Head of Finance (Children and Education) _____ Email: sajeed.patni@hackney.gov.uk _____ Tel 0208 356 7034
Comments for the Director of Legal, Democratic and Electoral Services prepared by	Name: Patrick Rodger _____ Title Senior Lawyer _____ Email: patrick.rodger@hackney.gov.uk _____ Tel: (020) 8356 6817