

PROCUREMENT STAGE 1 – APPROVAL TO PROCEED TO TENDER

This form must be completed for all procurements above the tender threshold (£75,000 - Services and Supplies and £500,000 – Works)

If contract value is over Cabinet approval threshold (£750,000) this form shall be attached with the request to tender report to Cabinet. This form will be “Open” for Publication.

Section A: ABOUT THIS PROCUREMENT	
Title	Extension of Home to School Transport Contracts (One year from 19 July 2018-18 July 2019)
Directorate	Children's Services
Procurement Reference Number	PS/2017/**
Contract Cost (Maximum Spend)	£4.5m (Includes Ad- hoc spend of £.5m)
Budget code(s)	AA003, AA290, AA291, AA292 (There are several aspects to the Education Transport budget under different cost codes i.e. Mainstream, SEND, out-of-borough, Primary and Secondary)
Introduction and Background	<p><i>The Council has a statutory duty to provide certain forms of home to school transport. The Council presently lets approximately 143 contracts (31 operators) for home to school transport provision delivered by bus, coach, mini-bus and taxi. It also purchases public transport tickets on behalf of pupils and pays mileage to parents using their vehicles to transport their children to school.</i></p> <p><i>Schedule 35B of the Education Act defines an eligible child. The definition gives rise to the four distinct categories of eligibility for home to school transport. The Council has a statutory duty to provide transport under each of the categories below:</i></p> <p><i>Statutory walking distance eligibility</i> <i>Special Educational Needs, disability or mobility problems eligibility</i> <i>Unsafe route eligibility</i> <i>Extended rights eligibility</i></p> <p><i>Non-eligible pupils in challenging circumstances may be awarded transport where the Council exercises it's discretionary powers under the Exceptional Circumstances policy.</i></p> <p><i>Also, the immediate implementation of additional contracts is frequently required for new pupils who either move into the borough or move schools within the borough outside of the usual admissions application dates.</i></p> <p><i>The 143 contracts considered in this report form part of a framework under which 31 individual operators deliver home to school transport. The contracts expire in July 2018 and cover all routes. Agreement to extend these contracts is sought for a</i></p>

	<p><i>period of one year.</i></p> <p><i>This period is required to enable officers undergo a thorough review of a wide range of issues to ensure an effective and integrated Education and Social Care transport offer. Some of the issues to be considered will include the procurement process (including systems and software options), efficient route planning; adapting where feasible existing systems and routes designed by other Council departments, a reduction and centralisation of pupil pick-up / drop-off points, the management of in-year awards of transport and an integration of the home to school and social care offer into a system that meets the needs of all children requiring transport.</i></p>
Proposed Contract Term	1 year (19 July 2018 – 18 July 2019)
Political Sensitivity	N/A

Section B: COMMISSIONING REPORT

Business Case	<p>These contracts need to be extended to enable the Council continue to deliver its statutory obligations for home to school transport. The Education Transport review commenced in October 2017. The review has highlighted an opportunity to examine the current offer of Education Transport in order to ensure best value and reduce spend as explained in the introduction above.</p> <p>There are also economic, social and environmental benefits to be gained from an extension as the procurement of home to school transport contracts, whilst offered as a fully compliant EU tender, usually attracts local transport providers. These firms, particularly the small businesses, will benefit from an extended period of operation without having to engage resources and time in a procurement process.</p> <p>Also, the extension will provide officers with an opportunity to scrutinise existing routes with the aim of increasing efficiency; for example, by merging routes, accessing existing route planning systems where practicable and establishing centralised pick up / drop-off points as opposed to the current practice whereby pupils are collected from their individual homes. Officers will also use the extension period to work collaboratively with other service areas to design strategies to increase the number of pupils who access public transport or use sustainable travel methods such as walking or cycling.</p> <p>Such efficient procurement of transport aligns with the Council's priority around the protection of our clean and green environment as we will operate fewer vehicles, yet still meet our statutory obligation to transport eligible children. The Council's use of larger vehicles such as mini-buses and coaches to transport eligible children reduces the carbon footprint as fewer families will need to use personal vehicles to get their children to school.</p> <p>Once the findings of the review are considered and recommended changes to existing routes, policy and process are agreed, the Council will also need to re-tender the contracts. The extension will also ensure existing providers are given sufficient notice of the proposed procurement process and enable the Council engage with operators. This will prevent a situation where operators are unprepared and fail to engage in the process or decide to offer their services elsewhere. Any reduction in operators may impact pupils if the Council is unable to deliver transport as and when required.</p>
Key Deliverables (Draft Specification)	<p>The extension of the contracts will enable officers to implement the recommendations from the ongoing Education Transport service review. The expected changes to delivery include reduced spend across all aspects of home to school transport. The reduction will arise as a result of improved route planning, central collection and drop-off points for pupils (as opposed to the current door to door service), and the implementation of policy changes that will improve the Council's process ensuring that only eligible pupils and pupils under exceptional circumstances receive transport.</p>
Contractor Employment Status <small>(use self-assessment tool: https://www.gov.uk/guidance/check-employment-status-for-tax or contact Procurement for further guidance)</small>	N/A
Quality v Price evaluation	N/A
Social Value	Social value was considered during the previous tender process and

	will be considered in the 2019 tender process.
Current / Previous Contract details	PS/2013/626 PS/2014/835

FINANCIAL IMPLICATIONS						
Current / Previous Contract Cost	Previous contract value - £12.839m					
Cost Breakdown	Breakdown of Estimated Cost	16/17 £000's	17/18 £000's	18/19 £000's	Later £000's	Total £000's
	Total Spend	30% price	£2.25	£2.25	£	£4.5
Confirm Funding Breakdown Identified	Revenue Budget	£N/A	£	£	£	£
	Capital Budget	£N/A	£	£	£	£
	Other (Please State)	£N/A	£	£	£	£
	Other (Please State)	£N/A	£	£	£	£
	Total Funding	£N/A	£2.25	£ 2.25	£	£4.5
Budget Code(s)	AA003, AA290, AA291, AA292 (There are several aspects to the Education Transport budget under different cost codes i.e. Mainstream, SEN, out-of-borough, Primary and Secondary)					
Unsupported borrowing?	N/A					
Other Financial Implications	N/A					

PROCUREMENT ROUTE ABOVE TENDER THRESHOLD (Choose 1(of A, B, C or D) only)	
A. COMPETITIVE PROCUREMENT (complete B if a Framework)	
Procurement Route	N/A
Procurement Justification	N/A
B. FRAMEWORK (Waiver in accordance with Rule 13.1 (c))	
Framework?	Is this a procurement from a Framework? No
Title & Reference of Framework	N/A
Framework Rationale	N/A
C. REQUEST FOR QUOTE FROM RESTRICTED MARKET (Waiver in accordance with Rule 13.1 (d))	
Restricted Market?	Is this a request for quotes from a restricted market? No
Rationale (only permitted below the EU threshold)	N/A
D. SINGLE SOURCE REASON (Waiver in accordance with Rule 13.1 (a, b or d))	
Single Source	Is this Procurement a Single Source – One Quote/Tender <i>(Exceptional circumstances only and select reason below)</i> Yes
Single Source justification below EU Threshold	<i>Select reason and explain your rationale</i> N/A
Single Source justification above EU Threshold	If you are seeking a single tender above the EU threshold – using the “Negotiated Procedure without Prior Publication” route, this is only available in very exceptional circumstances. You must select the reason below and explain your rationale. N/A
Single Source Rationale	The Education Transport Review commenced in October 2017. The review has highlighted an opportunity to scrutinise the current offer of home to School Transport in order to ensure best value and reduce spend as explained in the contract description above. (Add information re EU regs)

PROCUREMENT TIMETABLE, RISK, CONSULTATION AND MANAGEMENT		
Milestones and target dates <i>(Draft)</i>	Key Event	Date
	Publication of Contract Notice or Advert	Click here to enter a date.
	Return of PQQs (omit if not applicable)	Enter estimated or N/A
	Issue of Invitation to Tender	Click here to enter a date.
	Return of Tenders	Click here to enter a date.
	Notification of Results	Click here to enter a date.
	Standstill Period (omit if not applicable)	Enter estimated date range or N/A
	Leaseholder Consultation (omit if not applicable)	Enter estimated date range or N/A
	Expected date of Award	Click here to enter a date.
	Contract Commencement	Click here to enter a date.

Risk Management – Set out Main Risks and Mitigating Actions						
Risk	Likelihood (A – E) ¹	Impact (I – IV) ²	Level of Risk (High to Lower) ³	Potential Negative Impact	Management / Mitigation of Risk	
Tender Process Risks						
Failure to achieve the proposed savings and efficiencies in service delivery within the extension period.	D	!!	High	Proposed service efficiencies are not achieved leaving the service unchanged. Levels of savings are not met	The contract is commissioned in line with the original terms and conditions.	
Click here to enter text.	Click here to enter text.	Click here to enter text.	Click here to enter text.	Click here to enter text.	Click here to enter text.	
Click here to enter text.	Click here to enter text.	I	Click here to enter text.	Click here to enter text.	Click here to enter text.	
Contract Performance Management Risks						
Transport provision from new providers fail	D	II	High	Disruption to travel arrangements for some pupils	There is a pool of funding available for ad-hoc 'in-year' admissions that allows for additional contracts to go through a mini-tender process and fill any gaps if this eventuality occurred.	
Contract not appropriately managed	E	III	High	Providers fails to deliver effective contract	Contract management arrangements in place. Team Leader for the Passenger Transport Unit oversees day to day operation of the contracts	
Financial viability of the provider	D	II	High	Provider is unable to operate. Disruption to travel arrangements for some pupils	There is a pool of funding available for ad-hoc 'in-year' admissions that allows for additional contracts to go through a mini-tender process and fill any gaps if this eventuality occurred.	

¹ **Risk Likelihood:** A = Very High, B = High, C = Significant, D = Low, E = Very Low

² **Risk Impact:** I = Critical, II = Significant, III = Marginal, IV = Negligible

³ **Risk Level:** High = AI, BI, All, BII, CI, CII, all others lower

Contingency Arrangements	<p>Should an issue arise that prevents officers from revising the existing process and policy under the existing contract officers would revert to commissioning on the original terms and conditions via the ad-hoc 'in year' funds.</p> <p>With respect to the possibility of provider failure and /or the inability of a provider to continue delivery of their awarded contract, the situation will be dealt with using the ad-hoc 'in year' funds.</p> <p>In the event the Team Leader is unavailable to monitor contracts there are several competent officers within the department able to assume the role of contract monitor. Match the risks</p> <p>.</p>
Consultation	<p>These contracts being considered are all due for renewal, therefore, no formal consultation is required. However, officers organise Operator Forums to facilitate a discussion around the procurement process, it's implications and the opportunities available for both the Council and operators to work collaboratively to improve the delivery of the education transport service. Officers will also work with existing operators to ensure a structured exit plan where required as well as a smooth transition into the process for any new operators.</p> <p>Also, officers will ensure adequate communication throughout the tender process in line with procurement rules.</p> <p>The recommendations of the Education Transport Consultant at the end of the service review may lead officers to make further recommendations to Cabinet for certain changes to the existing policy. Officers would consult with parents, schools, academies and transport operators before embarking on the process required to implement changes to policy. Parents will be advised of any changes to their child's transport arrangements. Parents are advised of their right to raise any issues with the Passenger Transport Unit in respect of their child's transport arrangements. Any issues will be resolved promptly.</p>
Project and Contract Management Proposals	<p>There are established monitoring arrangements in place such as day to day evaluation of provider's performance through direct liaison, performance evaluation strategies and performance management processes to resolve any concerns around performance. During the waiver process officers will work alongside Procurement to ensure compliance. All activity during the period of extension will be carried out in line with the Council's requirements. All documents will be secured in accordance with the Council's Document Retention Policy. Also, all Data Protection and Freedom of Information requests will be dealt with in line with Council policy.</p>
Procurement Comments	<p>Enter comments from Procurement Services</p>

Section C: LEGAL, FINANCE AND PROCUREMENT APPROVAL

Procurement Services	Name	Name
	Signed <i>(Or obtain email of confirmation)</i>	
	Date	Click here to enter a date.
Legal Services <i>(Insofar as it relates to Legal implications)</i>	Name	Name
	Signed <i>(Or obtain email of confirmation)</i>	
	Date	Click here to enter a date.
Finance <i>(Insofar as it relates to Finance implications)</i>	Name	Name
	Signed <i>(Or obtain email of confirmation)</i>	
	Date	Click here to enter a date.

Section D: APPROVAL TO PROCEED VALUE

The Responsible Officer must sign the form, together with the Head of Service as a minimum. Delegated Authority Limits below.

Approval Level	Over £750,000 - Cabinet
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Section E: SIGN OFF APPROVAL TO PROCEED

Confirmation by the Responsible Officer of Compliance with Contract Procedure Rules	The Responsible Officer Temi Fawehinmi confirms that the procurement of an extension of Education Transport Contracts for one year from 19 July 2018-18 July 2019 and PS/2017/** has been carried out in accordance with Rule 5 of the Council's Contract Procedure Rules (Chapter 9, Part 2 of the Constitution) and in particular the following duties have been met by the Responsible Officer: <ul style="list-style-type: none"> • Compliance will occur with all regulatory or statutory provisions and the Council's decision making requirements • The Contract will be included on the Council's Contract Register • Value for Money will be achieved • Advice has or will be sought from the Director of Finance and Corporate governance as to an appropriate security bond or guarantee • Document Retention Policy has and will be complied with • Financial Evaluation will be made of all the proposed tenders including the recommended bidder • Advice has been and will be sought and followed from Procurement, Legal and Finance as necessary 	
	Signed	
	Date	Click here to enter a date.
Approval to Proceed	In accordance with the Contract Procedure Rules, I/we confirm the accuracy of the information contained within this form and authorise this request to Proceed to Tender including, where relevant, the permitting of a Waiver from the Contract Procedure Rules in accordance with Rule 13	
Head of Service	Name	Name
	Signed <i>(Or obtain email of confirmation)</i>	
	Date	Click here to enter a date.
Corporate Director <i>I confirm that the Portfolio Holder has been consulted as required</i>	Name	Rory Patterson
	Signed <i>(Or obtain email of confirmation)</i>	
	Date	Click here to enter a date.
Director of Finance and IT <i>If waiver required</i>	Name	Sean Clark
	Signed <i>(Or obtain email of confirmation)</i>	
	Date	Click here to enter a date.
Cabinet	Approval Minute Number	Enter minute reference
	Date	Click here to enter a date.
Now send complete form to Procurement Services signed and scanned (with emails if used)		