
Executive

28 January 2016

Report of the Director of Children's Services, Education and Skills

Children's Services Education and Skills (CSES) Transport Contract (Taxis and Minibuses)

Portfolio of the Executive Member for Education, Children & Young People

Summary

1. The current Children's Services, Education and Skills (CSES) Transport contract is due to expire on the 31 August 2016. The local authority (LA) needs to begin the procurement process to select the most appropriate provider(s) to deliver this contract into the future. This process needs to be completed and the contract mobilised ready to deliver services from the 1 September 2016.
2. This contract currently provides all taxi and mini-bus customer transport requirements for the CSES directorate including; mainstream home to school transport, SEN home to school transport, contact visits and other ad hoc children's transport requirements. It does not include any staff transport. The annual cost of this contract is currently estimated at £2.1m.
3. The home to school bus service is under a separate contract and does not form part of this report.

Recommendations

4. Members are asked to consider the proposals set out in paragraphs 11-21 and give approval:
 - to commence the process to procure a new transport provider(s)
 - consider a further paper at a later date to consider changes to the CSES transport policy.

Reason: To ensure that contract(s) are in place to provide the required services (as set out in paragraph 2) from the 1 September 2016.

Background

5. The current contract commenced in February 2012 following a full procurement and selection process which involved representatives of both the parent and school community as well as staff from education and children services.
6. This process followed much discussion with procurement, finance and legal colleagues to look at a better way of delivering transport services. There then followed consultation events with the transport community to seek their views in providing a different type of service. Traditionally each route had gone out to tender which was restricted to a limited number of transport providers (approximately 45 in total). This resulted in inconsistent levels of quality of service for our customers, poor budget management and lengthy administrative processes. Consequently the LA was dealing with high levels of customer complaints, significant elected member involvement and budgets regularly being overspent
7. The decision was made therefore to go out for seven separate lots and to look at one provider for each lot:
 - Lot 1 Home to School Transport North
 - Lot 2 Home to School Transport West
 - Lot 3 Home to School Transport South and East
 - Lot 4 Applefields & Hob Moor Oaks
 - Lot 5 Children Services including contact
 - Lot 6 Adult Transport
 - Lot 7 Out of Area Transport.
8. The procurement documentation also included a clear commitment to reduce the amount of administration involved in delivering CSES transport as well as transferring responsibility for delivering the majority of the service across to the provider including route planning, customer services and any remaining administration.
9. Following the selection process Streamline Taxis (York) were successful in winning all 7 lots and they commenced the contract in February 2012.

10. Over the last four years as part of the contract management process a number of changes have been made to the way the contract has been delivered. This has been driven by the fact that we are working with only one provider. These changes have included merging lots, reducing the number of vehicles, reduction in the use of sub-contractors and better use of passenger transport assistants.
11. As a consequence of the changes expenditure on CSES transport costs have reduced by approximately £500k. These changes have also enabled the school services team to reduce staffing levels as the amount of administration has decreased whilst customer complaints have reduced significantly with much higher levels of customer satisfaction.

Proposals

12. In light of the successes we have had during the lifetime of the current contract and the lessons that have been learnt the proposal is to go to the market to procure a four year contract but to reduce the number of lots to three as follows:
 - Lot 1 – Applefields & Hob Moor Oaks
 - Lot 2 – Contact Service
 - Lot 3 – All other CSES Transport
13. This proposal allows the LA to work with a maximum of three providers or a minimum of one. It would enable strong contract management to continue which would maintain the high levels of quality and continue the work with transport providers to reduce costs further. It would also continue the practice of the transport provider(s) delivering the back office functions associated with providing the necessary transport requirements.
14. The decision to keep a separate lot for our two special schools (Lot 1) is because the service requirements are unique in the customers it serves. It offers the opportunity for either a local provider to offer this service or a specialist provider to base themselves in York and deliver this service.
15. Lot 2 the transport contract for contact services is also a specialist service and will require a transport provider who can respond to the specific requirements of the customers it will be transporting. Although not high in terms of volumes, the focus will be more on

the successful transport provider knowing what is specifically required to deliver this specialist service.

16. Lot 3 will be the largest lot in terms of cost and volume. We will be looking for a transport provider who can meet the requirements of this lot in terms of types of vehicles, provision of passenger transport assistants and customer requirements. Keeping all the remaining transport in this one lot would allow for better route planning, sharing of vehicles, better options for reducing costs and having enough flexibility to respond to changes.

Link to Future Policy Changes

17. The successful transport provider(s) will need to understand that due to the reductions in LA funding, and the likely impact on the CSES transport budgets, that they will need to work with officers to reduce further the expenditure on transport. These reductions can only be achieved by finding alternative ways of getting children and young people to and from school/college other than by just taxi and minibus. The selection process will have significant focus on this element
18. The relevant contract clauses will be included, and pricing structures will be set up in such a way to enable costs to be adjusted accordingly to reflect any reductions in the volume of transport required, as a result of any policy changes. This will ensure flexibility over the lifetime of the contracts in terms of volume and expenditure
19. The LA has already had some success in encouraging this shift through its independent travel training programme which has moved large numbers of pupils with special educational needs from taxi transport to becoming independent travellers. These types of changes can only be achieved by regularly reviewing policy and working with transport providers who have the commitment to work with the LA to trial and support different delivery models.
20. It is proposed to bring a paper to members in the near future to consider a number of changes in relation to CSES transport policy. This paper will explore increasing the alternatives modes of getting to and from school and reducing expenditure.
21. To assist in the use of low emission vehicles within the city the service specification for the new contract(s) will include a

requirement to increase the number of electric and hybrid vehicles. The requirement will ensure that the number of these vehicles will increase year on year over the lifetime of the contract(s).

Council Plan

22. **Prosperous City for all** – use of local transport providers. Helping grow businesses and providing employment within the city.
23. **A council that listens to residents** – responding to the needs of the client group who are eligible for assistance with transport and seeking their feedback on the quality of the service.
24. **A focus on frontline services** – providing a safe, high quality, cost effective transport service for children and young people across the city. Where parents/carers can be reassured that staff are trained and meet the relevant safeguarding criteria.

Implications

Financial

25. Home to School Transport is funded from the LA's General Fund Budget. The 2015/16 budget for the delivery of the current contract is approximately £2.1m which has been set at the level of the existing contract price. The proposals set out in paragraphs 12-21 have been developed with the support of the procurement team.

Equalities

26. See legal implications

Legal

27. To meet the requirements of the 1996 Education Act in relation to the LA's duty to make travel arrangements to facilitate attendance at school. To meet the statutory requirements of the 2013 Children & Families Bill as well as the Equalities Act 2010. Legal Services will support the School Services team when drawing up contracts for the finalised arrangements when they have been agreed.

Other Implications

28. There are no specific Human Resources (HR), Crime and Disorder, Information Technology or Property implications arising from this report.

Risk Management

29. As a new contract(s) has to be in place by the 1 September 2016 any delay to a decision increases the possibility of arrangements not being in place by this date. The consequences of which is the LA's failing in its duty not to meet our statutory requirements and subsequent reputational damage.

Contact Details

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Report
Approved



Date 15.01.16

Specialist Implications Officer(s)

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Wards Affected: *List wards or tick box to indicate all*

All



For further information please contact the author of the report

Background Papers

None

Annexes

Annex A – Community Impact Assessment Form