

**REPORT TO:** Executive Board Sub-Committee  
**DATE:** 13<sup>th</sup> October 2011  
**REPORTING OFFICER:** Strategic Director Policy & Resources  
**SUBJECT:** Transport Contract Tenders  
**WARDS:** Borough-Wide

## **1.0 PURPOSE OF THE REPORT**

1.1 To notify the Executive Board Sub Committee of the outcome and results of recent public and passenger transport tenders which were publicised by The Chest e-tendering procurement system. This is a report for information purposes, to comply with Procurement Standing Order Part 2.1 due to the accumulative value of the contracts projected to be in excess of £1 million.

## **2.0 RECOMMENDATION: It is recommended that the Executive Board Sub Committee:**

- 1) acknowledge those transport tenders that have been advertised for services on behalf of Children & Enterprise and Communities Directorates;**
- 2) acknowledge those transport contracts which commenced from the beginning of September 2011;**
- 3) acknowledge those tenders that have been advertised for supported local bus transport tenders; and**
- 4) confirm that they support the overall process.**

## **3.0 SUPPORTING INFORMATION**

3.1 At its meeting on 30<sup>th</sup> June 2011, the Sub Committee considered a report which advised that transport tenders for a complex range of passenger transport contracts and transport arrangements for vulnerable children and adults were to be published using the Chest e-procurement system. The accumulative value of the contracts was projected to be in excess of £1m. The Sub Committee noted that transport tenders were being advertised for services on behalf of Children and Enterprise and Communities that were required from September 2011 and requested that a further report be brought back detailing the results of the passenger transport contracts.

- 3.2 The Transport Co-ordination Section is responsible for a complex range of passenger transport contracts and arrangements for vulnerable children and adults on behalf of both the Children & Enterprise and Communities Directorates. These arrangements have to be contracted out for a period of one to four years to external transport providers if they cannot be provided by the Council's in-house fleet of passenger transport vehicles or by volunteer drivers. Such providers typically include licensed taxi operators and drivers, and minibus/coach companies. Where possible, however, priority is given to arranging transport for passengers on the Council's in-house fleet provision.
- 3.3 The Children & Enterprise and Communities Directorates are responsible for providing the transport requirements for any vulnerable passenger that needs and is entitled to assisted transport to educational establishments and to adult day care facilities and community based venues respectively. Transport Co-ordination are then responsible for procuring the most cost effective, safe and practical means of transport, dependant upon the mobility and additional needs of each passenger.
- 3.4 Please see Appendix One for a detailed analysis of the overall tender results.

#### **4.0 POLICY IMPLICATIONS**

- 4.1 None

#### **5.0 FINANCIAL IMPLICATIONS**

- 5.1 There will likely be an annual saving to transport related budgets, however at this stage this level of saving can only be projected. Currently, from the 'overall analysis of results' breakdown provided in Appendix Two, this projected saving from recent transport tendering and re-scheduling could be in the region of £53,585.64 for the remainder of this financial year or £77,130.86 as a full year total.

Savings levels can only be projected at this stage as the analysis takes into consideration new and emergency contracts. As detailed in Appendix Two, there have to date been circa £33,000 (annual cost) of emergency contracts needing to be set up but additional late notice requests for transport are still being submitted by Children & Enterprise Directorate in relation to Special Educational Needs pupils.

The 2009/10 and 2010/11 financial savings achieved in these respective years are shown for comparison purposes. The overall savings from these two financial years have already been taken into account when setting Children & Enterprise and Communities transport budgets for the following financial years.

## **6.0 OTHER IMPLICATIONS**

### 6.1 None

## **7.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES**

### 7.1 Children and Young People in Halton

All of the passenger transport contracts are constantly monitored to ensure that the required level and quality of service is offered to passengers on behalf of the Children & Enterprise Directorate and to facilitate young people.

### 7.2 Employment, Learning and Skills in Halton

Some of the public and passenger transport contracts tendered are to provide accessible transport services for vulnerable young people and adults to facilities providing lifelong learning and skills.

### 7.3 Healthy Halton

Many of the public and passenger transport contracts tendered provide essential access to a wide range of activities, to key facilities across the Borough and to out of borough establishments as required. Therefore, public and passenger transport directly helps to assist and ensure that vulnerable children and adults, as well as public in general, live a healthy and active lifestyle.

### 7.4 A Safer Halton

Public and passenger transport services are provided to enable passengers to undertake a variety of journeys in a safe and non-intimidating manner. Where vulnerable passengers are not aware and/or confident enough to travel by public transport, the transport service enables all passengers to access facilities in a safe way, ensuring that they are socially included. Travel training is provided, where appropriate, to individuals to provide them with the skills, confidence and independence to travel by public transport.

### 7.5 Halton's Urban Renewal

Provision of transport services ensures that the general public can travel locally for a wide range of purposes where they otherwise may not be able to travel affordably to various facilities and services.

## **8.0 RISK ANALYSIS**

- 8.1 Funding reductions may pose a risk to the services the Council are required to provide. Children & Enterprise and Communities Directorates may exert more stringent controls and criteria within their transport/travel policies and practice in order to manage reduced budgetary constraints.

## **9.0 EQUALITY AND DIVERSITY ISSUES**

- 9.1 Passenger transport service contracts are constantly monitored to ensure the operation of these services embrace equality and diversity issues in line with the Equality Act.

## **10.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972**

- 10.1 Report to the Executive Board Sub Committee meeting 30<sup>th</sup> June 2011 on Passenger Transport Tenders.

## APPENDIX ONE – PASSENGER TRANSPORT CONTRACTS

### OVERALL ANALYSIS OF RESULTS

#### Tender results September 2011

Contracts Tendered (no significant changes)	-£10,138.40 (29 contracts)	Expressions of Interest	85
Contracts Tendered (significantly changed)	-£34,498.78	No. Different Bidders	15
Contracts Ended (not replaced)	-£106,099.80	Ave. No Bids Per Tender	4
Contracts Ended (covered by merged routes)	-£14,151.20	Highest No. Bids for Cont.	9
Contracts Tendered New Routes	£40,470.00	Lowest No. Bids for Cont.	1
Existing Contracts (Changes)	£9,135.60		
Contracts Tendered But Not Awarded	£4,559.72		
Emergency Contracts Required	£33,592.00		
<b>Overall Saving</b>	<b>£77,130.86</b>		

- (minus) figures represent where a saving/efficiency has been made

#### KEY TO TABLE HEADERS:

**Contracts Tendered (no significant changes)** – these are tender results of contracts that were tendered exactly or more or less the same as previously operated.

**Contracts Tendered (significantly changed)** – these are contracts that were tendered but where a number of changes to the contracts had been made.

**Contracts Ended (not replaced)** - these are contracts that were terminated or contracts that had ended due to no further requirement for the particular contracts i.e. passenger had finished attending the school/establishment or had been added onto existing contracts.

**Contracts Ended (covered by merged routes)** – these are contracts that ended or that have been terminated as the passengers were allocated onto other contracts currently operating or being tendered.

**Contracts Tendered (new routes)** – these are contracts required that are completely new routes, not been tendered before.

**Existing Contracts (changes)** - these are contracts that have incurred price changes due to changes required (merging of contracts or removal/addition of passengers), where there are available seats on any contract attempts are made to fully utilise these (where appropriate) in order that contracts are as cost efficient as possible.

**Contracts Tendered But Not Awarded** – these are contracts that were required at the time of tender, however since tenders had been advertised there was no longer a requirements for the particular contract i.e. passengers no longer staying on at school/centre or school/centre attending had changed.

**Emergency Contracts Required** - these are contracts that have been procured since the tender exercise due to late transport requests being received (not known at the time of advertising tenders) where it is not possible to utilise an existing contract i.e. new contract is required to be set up. In these cases, there contracts need to be quoted on the 'unknown routes' framework and set up as an emergency contract through a mini competition.

## **IMPORTANT CONSIDERATIONS:**

The projected annual saving is detailed above. The implications on the remainder of this financial year should bring savings of approximately £53,585.64.

It should be taken into consideration that the figures quoted are only accurate at the time of the report submission as transport requirements are always changing. As detailed above there have already been £33,500 (£23,337.60 costs for the rest of this financial year) of emergency contracts set up since the tender phase.

Late requests and alterations will now be dealt with as and when requested. This will have an impact on emergency contracts that are required to be set up last minute, and will also affect the current contracts running. Therefore the figures quoted above for Existing Contracts (Changes) and Emergency Contracts Required will be changeable.

The budget for Children's and Adults will be discussed with Finance Officers for the relevant Directorates shortly. In these meetings, projections will be able to be made for the financial year also taking into consideration flexibility for changes and additional transport requirements having further impact on the budget.

Due to the changeable requirements of existing clients and new passengers, it is extremely difficult to predict how this will impact on the budget.

**Tender results September 2010**

Contracts Tendered (no significant changes)	-£58,219.80 (19 contracts)	No. Bidders on Tender List	110
Contracts Ended (covered by new routes)	-£30,078.14	No. Different Bidders	50
Contracts Ended (covered by merged routes)	-£30,529.20	Ave. No Bids Per Tender	9
Contracts Ended (not replaced)	-£76,018.84	Lowest No. Bids for Cont.	2
Existing Contracts (Changes)	-£4,509.84	Highest No. Bids for Cont.	25
Contracts Tendered New Routes	£47,121.90		
Emergency Contracts Required	£95,178.60		
<b>Overall Saving</b>	<b>£57,055.32</b>		

**Tender results September 2009**

Contracts Tendered (Like for Like)	-£19,651.70 (15 contracts)	No. Bidders on Tender List	95
Contracts Ended (covered by new routes)	-£234,624.92	No. Different Bidders	42
Contracts Ended (covered by merged routes)	-£58,035.50	Ave. No Bids Per Tender	10
Contracts Ended (not replaced)	-£82,970.94	Lowest No. Bids for Cont.	2
Contracts Tendered New Routes	£95,496.00	Highest No. Bids for Cont.	20
Existing Contracts (Changes)	£11,118.80		
Emergency Contracts Required	£78,664.44		
<b>Overall Saving</b>	<b>£210,003.82</b>		

- (minus) figures represent where a saving/efficiency has been made