

Adults Social Care transport exemption request

To: Adults Committee

Meeting Date: 18 March 2021

From: Will Patten - Service Director, Commissioning

Electoral division(s): All

Forward Plan ref: 2021/030

Key decision: Yes

Outcome: A fairer and consistent approach to market for the provision of transport to ensure the best possible outcomes for Cambridgeshire citizens.

Recommendation: Adults Committee is recommended to:

- a) Approve an exemption waiver for an additional £1.3m of funding to enable the expired medium to long term contracts to remain in place for one further year (in line with section 5 of the Cambridgeshire County Council Contract Procedure Rules 2020); and
- b) Receive a report later in 2021/22 detailing the tendering plan for approval, which will result in contracts to supersede the exemption waiver. This report will be informed by the transformation teamwork.

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1.0 Background

- 1.1. This is a technical report in relation to transport services delivered under the Council's 2016 transport framework agreement. The current contracts were implemented during 2018 and 2019. Each contract relates to a route which uses specialist vehicles to transport a group of service users from their home (or care home) to a common destination such as a day centre.
- 1.2. The Council's transport expenditure for Adults with Disabilities and Older People is approximately £2.8m pa. Up to 85% of this expenditure is managed centrally and delivered using 3-4 year term contracts. The remaining £0.5m expenditure is managed within localities and delivered using spot term with no duration limitations.
- 1.3. In May 2020, £1.3m of the centrally managed contracts expired. As a result of Covid-19, with no or very limited use of transport services, the uncertain outlook, a renewal did not take place. Instead the contracts were transitioned into a 12-month extension allowable under the terms of those contracts with the agreement of providers. No further extensions are allowable.
- 1.4. The remaining centrally managed contracts worth £1m pa. relate to the Council owned day service, Horizon Resources Centre. These contracts expire in 2022. This means planning work in 2021/22 can continue as planned.
- 1.5. Since October 2020, a transformation project has reviewed the transport arrangements including policy, systems and routes for efficiency and effectiveness. The team had identified improvements that would help people using transport services. The result of this work included:
 - an approval from the Adults Committee (14 January 2021, Item 7) for a refreshed policy. The refresh of the policy has not fundamentally changed from the previous version agreed in 2016. The language has been refreshed ensuring it fits with a strengths-based practice approach and the wording in the policy has been simplified and consolidated. No changes have been made to the criteria used for accessing transport services; and
 - an approval from the General Purposes Committee (26 January 2021, Item 7) for the procuring of external resources to assist the team to follow-up on its improvement ideas as well as to deliver wider transport improvements resulting in efficiencies.

2.0 Main issues

- 2.1 Whilst the expiring contracts can be re-tendered, there is a likelihood their use would be limited. This is because service user's access to community services is still likely to be limited during 2021/22 as a result of the restrictions associated with Covid-19. This creates a risk of CCC paying for transport services which would be heavily under-utilised.
- 2.2 Transport providers have been adversely by the reduction in work in Adults Social Care primarily due to lock downs and social distancing guidelines. Some have offset this reduction through gaining work in Childrens Social Care. Here commissioners needed to provision more vehicles to transport the same number of young people with special needs education.
- 2.3 As the transformation project has identified improvements, any immediate re-tendering would not provide time to release the efficiencies before the new routes were established. This would mean delivering efficiencies would be become increasingly more difficult.
- 2.4 The transformation project also expects to identify changes to the Transport Policy which could potentially change the scope of service users who have access to CCC services. Any immediate re-tendering would not provide time to incorporate those changes. This would lead to revising routes twice: once now and once again in 2021/22.
- 2.5 Noting the uncertainties, commissioners have considered the following 3 options to make efficient use of CCC resources:
 1. **Do-nothing:** The current contracts would expire and each route would revert to a spot purchase arrangement. CCC would want to limit the duration of each purchase to 3-6 months duration due to the uncertain work outlook. This would require more resources from the Transport team to arrange as tendering would take place more frequently and on a route by route basis. It is also expected to lead to higher rates for routes as providers could not provide volume or multi-year related discounts. However, CCC would write in clauses to limit payments in the event of further lockdowns. On balance, this option would not provide best value for money.
 2. **Re-tender now:** CCC transport planning work has taken place. This would be refreshed to take account any changes to service user circumstances. CCC would reduce the contract duration down to 2 years and limit payments in the event of further lockdowns to reduce its financial exposure due to the uncertain work outlook. The resulting tendered contracts would purchase transport capacity with a risk of it being under-utilised and high price. Consequently, this option would not provide best value for money.

3. **Exemption:** CCC would notify the provider market place of its plans to postpone the tendering plan for 12 months. Service users would be supported to access community services using spot purchasing arrangements. These arrangements would be flexible to enable greater access levels in the event the travel restrictions associated with Covid-19 are eased sooner than expected. This option would also limit CCC's financial exposure to future lockdowns. The improvement work to take place. The transformation team work would inform a new tendering plan which would be implemented in Q4 2021/22 and link in with contracts expiring in 2022.

Option 3 is recommended. It offers the flexibility of the short-term spot purchasing arrangements whilst allowing the transformation project to delivery transport service improvements. This can happen before committing to future medium to longer term contracts when the economic outlook remains uncertain.

3. Alignment with corporate priorities

- 3.1 A good quality of life for everyone
There are no significant implications for this priority.
- 3.2 Thriving places for people to live
There are no significant implications for this priority.
- 3.3 The best start for Cambridgeshire's children
There are no significant implications for this priority.
- 3.4 Net zero carbon emissions for Cambridgeshire by 2050
There are no significant implications for this priority.

4. Significant Implications

- 4.1 Resource Implications
There are no significant implications within this category.
- 4.2 Procurement/Contractual/Council Contract Procedure Rules Implications
The Procurement team are supportive of the commissioning and tendering plans for this work. This request is in line with section 5 of the Cambridgeshire County Council Contract Procedure Rules 2020 in relation to exemption requests.
- 4.3 Statutory, Legal and Risk Implications
There are no significant implications within this category.
- 4.4 Equality and Diversity Implications
There are no significant implications within this category.

- 4.5 Engagement and Communications Implications
There are no significant implications within this category.
- 4.6 Localism and Local Member Involvement
There are no significant implications within this category.
- 4.7 Public Health Implications
There are no significant implications within this category.
- 4.8 Environment and Climate Change Implications on Priority Areas
 - 4.8.1 Implication 1: Energy efficient, low carbon buildings.
Positive/neutral/negative Status: Neutral
Explanation: no impact
 - 4.8.2 Implication 2: Low carbon transport.
Positive/neutral/negative Status: Neutral
Explanation: the context of this report is around transport services, currently there are no low carbon transport stipulated in contracts and this would not be changed through the exemption approach due to the short contract timeframes involved. Consideration of low carbon transport could be looked at in future commissioning of transport services when this exemption comes to an end.
 - 4.8.3 Implication 3: Green spaces, peatland, afforestation, habitats and land management.
Positive/neutral/negative Status: Neutral
Explanation: no impact
 - 4.8.4 Implication 4: Waste Management and Tackling Plastic Pollution.
Positive/neutral/negative Status: Neutral
Explanation: no impact
 - 4.8.5 Implication 5: Water use, availability and management:
Positive/neutral/negative Status: Neutral
Explanation: no impact
 - 4.8.6 Implication 6: Air Pollution.
Positive/neutral/negative Status: Neutral
Explanation: no impact
 - 4.8.7 Implication 7: Resilience of our services and infrastructure, and supporting vulnerable people to cope with climate change.
Positive/neutral/negative Status: neutral
Explanation: no impact

Implications	Officer Clearance
Have the resource implications been cleared by Finance?	Yes Name of Financial Officer: Stephen Howarth
Have the procurement/contractual/ Council Contract Procedure Rules implications been cleared by the LGSS Head of Procurement?	Yes Name of Officer: Sarah Fuller
Has the impact on statutory, legal and risk implications been cleared by the Council's Monitoring Officer or LGSS Law?	Yes Name of Legal Officer: Fiona MacMillan
Have the equality and diversity implications been cleared by your Service Contact?	Yes Name of Officer: Oliver Hayward
Have any engagement and communication implications been cleared by Communications?	Yes Name of Officer:
Have any localism and Local Member involvement issues been cleared by your Service Contact?	Yes Name of Officer: Will Patten
Have any Public Health implications been cleared by Public Health	Yes Name of Officer: Emily Smith
Environment and Climate Change Implications on Priority Areas	Yes Name of Officer: Emily Bolton

5. Source documents guidance

5.1 None.

6. Appendices

6.1 None.