

Request for a One Year Exemption to Re-Procure an Expiring School Transport Contract

To: Children and Young People Committee

Meeting Date: 1st March 2022

From: Executive Director: People and Communities

Electoral division(s): Papworth & Swavesey, Bar Hill & Longstanton, Northstowe & Over.

Key decision: Yes

Forward Plan ref: KD2022/045

Outcome: Approval of an exemption waiver to enable Swavesey Village College whole school Home to School Transport Contract (approximate value £600k) to remain in place for one further year will enable commissioners to undertake a comprehensive market engagement and feasibility evaluation to ascertain market competition and value for money following the disruption to the bus industry as a result of Covid 19.

Recommendation: The Committee is recommended to:

- a) agree to an exemption waiver for the Swavesey Village College whole school transport contract for a period of one year;
- b) approve the subsequent procurement exercise to be run as detailed in the report below; and
- c) Delegate authority to the Service Director for Education, in consultation with the Chair and Vice Chair of the Children and Young People Committee, to award a contract following the compliant procurement exercise

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Member contacts:

Names: Councillors Bryony Goodliffe and Maria King

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1. Background

- 1.1 Annually the Social & Education Transport Team (SETT) undertakes a procurement round of approximately one third of all the 1200 home to school transport routes. This equates, each year, to approximately 180 mainstream and 225 contracts for pupils with special educational needs and/or disabilities (SEND). As well as undertaking the full tender reviews for these routes, the process must also include time to review existing routes to allow for in-year admissions and leavers. This is an important exercise as the numbers can significantly affect loadings on current routes, vehicle capacities or type and all these need to be negotiated or re-tendered in addition to the other routes.
- 1.2 The work behind the re-tendering cycle does not start in earnest until SETT has received the in-year admissions data which is normally available in late March. Some assumption regarding pupil numbers for mainstream contracts needs to have been made so that routes are identified and assessed prior to the start of the tender going live. This occurs in early April.
- 1.3 In 2019 SETT undertook a procurement tender, (invitation to tender reference DN345489) for Swavesey Village College which provided two options where operators could tender for:
 - (a) individual routes, or
 - (b) the whole school contract at a price per head (student).

Following evaluation, demonstrating beneficial advantage to the Council, a whole school contract was awarded to a single provider for the period of three years until July 2022.

- 1.4 During 2020, Officers from SETT, Peterborough City Council's (PCC) Passenger Transport Operations Team (PTOT), the Council's Transformation Team and Procurement Team, started a project to align transport procurement, terms, and conditions into a joint Dynamic Purchasing System (DPS). The aim is to ensure maximum utilisation of transport providers and efficiencies in a single process. This was launched to operators in October 2021 and initial competitions began in January 2022. However, due to the complexity of the Terms & Conditions, it has not been possible to include the ability to tender a whole school contract. This requires a separate standalone procurement exercise.
- 1.5 Following national disruption during Covid-19, the transport sector in general, and the bus industry in particular, has been affected by loss of staff to other transport areas or industries. This has placed significant further strains on the provision of home to school transport since September 2021, with operators having to relinquish routes and/or downsize their operations. This has created additional workload, impacting heavily on Officer resource in SETT and PTOT.
- 1.6 Officers have carefully reviewed the current situation and continued instabilities within the bus sector and are seeking an extension of this whole school contract to allow for a stabilisation of the sector and to ensure a competitive market. The extension of the current contract will allow for an evaluation and market engagement in preparation for initiating a whole school procurement tender in January 2023.

2. Main Issues

- 2.1 The concept of a whole school contract allows the Local Authority (LA) to fulfil its statutory duties to provide home to school transport using an outcomes-based approach as opposed to the much more widely used approach of the operator solely undertaking the delivery of the contract whilst the LA undertakes multiple route planning, student allocation and ticketing processes. Under a whole school contract, the operator tenders on a student price per head and undertakes the administration, with the LA providing only entitled student data.
- 2.2 The advantages of a single contractor operating under a whole school contract is that they can provide additional provisions services or enhance service delivery. This can include adapting routes and loadings to support additional after school clubs and activities. Other benefits include advanced electronic ticketing and reporting. In addition, the associated improved working relationships between operator and the school, can lead to easier resolution of any operational and pupil behaviour issues which might arise.
- 2.3 Individual tenders awarded for the many routes serving a single school result in contracts with multiple operators and SETT undertaking all the associated the transport teams taking back the administration. Routes would only be run at the beginning and end of the school day, therefore offering less flexibility.
- 2.4 Because the whole school contract is not factored into the DPS it would potentially exclude operators who may not wish to join the DPS, but could attract larger operators who may wish to move into the area to participate in a high value contract.
- 2.5 As the only current whole school contract, it is important for officers to understand the market's willingness to engage either a single operator or a collaboration or syndicate of operators. Therefore, further market engagement is required to ascertain the likely nature and number of bids to be received and therefore allow the procurement to be constructed in a way that maximises competition and the opportunity to achieve outcomes. In addition, further work is required to review and amend the terms and conditions of contract as appropriate in order to protect the Council's interests and ensure the statutory delivery of home to school transport for entitled students.
- 2.6 To achieve a quality, efficient and cost-effective approach to ensure best value and deliver within a procurement timeframe, SETT would need to ensure that operators have sufficient time to analyse and submit their bids. This would need to be evaluated by SETT and be awarded ensuring at least 6 months lead in prior to delivery date September 2023. There is insufficient time available to achieve this.
- 2.7 In addition, whole school contracts place more administrative burdens on operators especially in areas where they may not have dealt with such numbers previously e.g., ticketing, communications and collaboration with the school. Ensuring a minimum 6-month lead in allows for the necessary preparations and implementation of vehicles, drivers and infrastructure.
- 2.8 SETT is fully aware of the need to tender within the requirement of procurement guidelines. SETT has recently started mini competitions via the joint procurement platform with PCC and are currently awaiting the roll out a new Joint Transport IT system across CCC and

PCC probably in by autumn of 2022. Whilst this will realise efficiencies and savings in the longer term, particularly with regard to SEND transport, the time commitment and involvement required by SETT officers to progress towards the roll out has reduced the capacity to re-procure a new whole school contract within the expiry period of the current contract.

3. Alignment with corporate priorities

- 3.1 Communities at the heart of everything we do
Section 1.4 above sets out details of implications identified by officers
- 3.2 A good quality of life for everyone
Travelling sustainably impacts positively on the environment.
- 3.3 Helping our children learn, develop and live life to the full
Reliable school transport services enable children and young people to easily access their education entitlement.
- 3.4 Cambridgeshire: a well-connected, safe, clean, green environment
The whole school contract approach facilitates sustainable route planning and enables young people to travel sustainably to access extra-curricular activities as well as education.
- 3.5 Protecting and caring for those who need us
Provision of reliable school transport services will help safeguard children and young people on their journey between home and their place of education.

4. Significant Implications

- 4.1 Resource Implications
The report above sets out details of significant implications.
- 4.2 Procurement/Contractual/Council Contract Procedure Rules Implications

SETT has discussed the need to waiver the whole school tender with the Council's Procurement Team and is committed to submitting the re-tender in January 2023. A draft procurement plan is already in place and resources from the procurement team secured. Updates on the procurement will be provided to the Education Transport Board currently chaired by the Assistant Director: Capital and Place Planning.
- 4.3 Statutory, Legal and Risk Implications

The legal parameters relating to home to school/college transport for children and young people of statutory school age are set out in Sections 508, 509 and schedule 35B of the 1996 Education Act as amended by the Education and Inspections Act 2006.

Sections 509(1) and (2) place a duty upon local authorities to provide free transport where necessary to facilitate the attendance of children and students at schools and institutions both within and outside of the further and higher education sectors.

4.4 Equality and Diversity Implications

The following bullet points set out details of significant implications identified by officers:

- Prevention of rural isolation from education provision.
- Education transport is provided to all who are entitled under the Education Act 1996 as amended by the Education and Inspections Act 2006

4.5 Engagement and Communications Implications

There will be communication, regarding the extension of the current contract, with key stakeholders, and engagement with the market during the next 12 months to maximise the chances of success for any new contract and also to explore what the market is able to offer in terms of low carbon transport and what provisions for this could be reflected in the procurement.

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.

Neutral Status: there are no significant implications within this category

4.8.2 Implication 2: Low carbon transport.

Positive Status: The following bullet points set out details of significant implications identified by officers:

Explanation:

- Home to school transport reduces the use of private vehicles in delivery of transport to large numbers of students on single transport provisions
- Where there is public transport provision in place students who meet the eligibility criteria can receive transport assistance in the form of a pass to use on a commercial route

4.8.3 Implication 3: Green spaces, peatland, afforestation, habitats and land management.

Neutral Status:

Explanation: There are no significant implications within this category

4.8.4 Implication 4: Waste Management and Tackling Plastic Pollution.

Neutral Status:

Explanation: There are no significant implications within this category

4.8.5 Implication 5: Water use, availability and management:

Positive/neutral/negative Status:

Explanation:

4.8.6 Implication 6: Air Pollution.

Neutral Status:

Explanation: The following bullet point sets out details of significant implications identified by officers:

- Reduced use of private vehicles

4.8.7 Implication 7: Resilience of our services and infrastructure, and supporting vulnerable people to cope with climate change.

Neutral Status:

Explanation: There are no significant implications within this category

Have the resource implications been cleared by Finance? Yes

Name of Financial Officer: Martin Wade

Have the procurement/contractual/ Council Contract Procedure Rules implications been cleared by the Head of Procurement? Yes

Name of Officer: Clare Ellis

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 McMillan

Have the equality and diversity implications been cleared by your Service Contact? Yes

Name of Officer: Jonathan Lewis

Have any engagement and communication implications been cleared by Communications? Yes

Name of Officer: Simon Cobby

Have any localism and Local Member involvement issues been cleared by your Service Contact? Yes

Name of Officer: Jonathan Lewis

Have any Public Health implications been cleared by Public Health? Yes

Name of Officer: Raj Lakshman

If a Key decision, have any Environment and Climate Change implications been cleared by the Climate Change Officer?

Yes or No

Name of Officer: Emily Bolton

5. Source documents guidance

5.1 None