

Notice of Non-key Executive Decision

Subject Heading:	Commencement of a procurement process for a new taxi framework for transport of clients on behalf of Children and Adult Services
Cabinet Member:	Councillor Jason Frost – Cabinet Member for Health and Adult Care Services
SLT Lead:	Barbara Nicholls – Director of Adult Services
Report Author and contact details:	Mark Butler 01708 432947 Mark.Butler@onesource.co.uk
Policy context:	Supporting the Communities objectives within the Corporate Plan: Helping young and old fulfil their potential through high-achieving schools and by supporting people to live safe, healthy and independent lives
Financial summary:	There are no direct financial implications associated with commencing the procurement process as this will be conducted within existing resources. The indicative value of taxi procurement is £1.2m p.a. (£6m over the life of the contract) funded from existing revenue budgets. The duration of the agreement is five years

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Relevant OSC:	Individuals O&S
Is this decision exempt from being called-in?	No

The subject matter of this report deals with the following Council Objectives

- Communities making Havering
- Places making Havering
- Opportunities making Havering
- Connections making Havering

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Part A – Report seeking decision

DETAIL OF THE DECISION REQUESTED AND RECOMMENDED ACTION

To approve the commencement of a procurement process for the appointment of several providers to a new taxi contract by way of call-off from the Crown Commercial Services' (CCS) dynamic purchasing system (DPS) and to re-visit the DPS periodically to replace or appoint new suppliers.

AUTHORITY UNDER WHICH DECISION IS MADE

Part 3 [Responsibility for Functions], para 3.4 of the Constitution – Powers of Members of the Senior Leadership Team

Contract Powers

(a) to approve commencement of a tendering process for all contracts above a total contract value of £500,000.

STATEMENT OF THE REASONS FOR THE DECISION

Similar to most other Councils, Havering commissions local taxi firms to provide ad-hoc transport for clients on behalf of Childrens and Adults Social Care. Taxis are also used to support a small number of children to attend specialist education facilities, generally situated out of the borough, where use of the Passenger Transport Service would not otherwise be feasible.

The Council's previous taxi framework, comprising a number of local suppliers, has now expired. In order to ensure appropriate safeguarding of clients, firms applying to join the framework are required to provide evidence of Disclosure & Barring Service (DBS) screening for all drivers engaged on Havering work and are frequently required to provide trained Passenger Assistants, who are also required to have DBS clearance with both trained to meet the welfare needs of individual clients. This will be a requirement for any new providers.

The demand for and resultant expenditure on taxi transport has increased significantly over the past 4 years as evidenced in the summary below. Where possible, measures to limit demand for taxi transport or use more economic alternatives have been implemented – in excess of £100k annual saving has been achieved by diverting some clients onto existing PTS routes in recent months.

Service	2015/16 £	2016/17 £	2017/18 £	2018/19 £
Children & Adults with Disabilities (CAD)	450,936	528,151	578,837	935,235
Post 16	94,419	163,217	173,798	222,920
Ad-hoc CAD			2,943	4,715

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Pupil Services	59,673	16,508	40,085	33,357
PRU	56,451	22,992	5,992	
Vulnerable			35,000	5,126
Adults Social Care	8,919	13,331	5,861	20,861
Total	670,398	744,199	842,516	1,222,214

The existing framework had been in place since 2011 and it is in the Council's interest to procure a revised arrangement to ensure that rates are as competitive as possible in the current market in order to mitigate cost pressures. Rather than procure a traditional static framework it is considered preferable to call-off from an existing dynamic purchasing system (DPS), offering the benefits of a framework with the flexibility to add new suppliers during the period of the arrangement to ensure adequate capacity and competition in the event that a provider(s) withdraw or new supplier move into the area. CCS has set up such a DPS which the Council can access, as and when required, e.g. when a supplier ceases to operate we can replace it by way of a call off from the DPS. We can let local firms know each time we are accessing the DPS so that they can register.

Whilst the Council can let contracts for 5 years to individual taxi firms following a call-off from the CCS DPS, that DPS expires on the 28th March 2022. We do not know at this time if CCS will re-let the DPS.

It is worth noting that each time there is a requirement to place a client in a taxi, a mini-tender for the route is carried out between the taxi firms contracted to ensure the best price for the route is obtained.

Outline procurement timetable:

Draft and Finalise check point 1 report	w/c 9 September 2019
Complete corporate forward plan template	w/c 16 September 2019
Complete 'Non Key Decision' template/ ED report	w/c 23 September 2019
Put the procurement on the forward plan	w/c 23 September 2019
Submit CP1 and receive approval from check point panel	w/c 23 September 2019
Non Key Decision Approval	w/c 4 th November 2019
Set up procurement on CapE (E-Sourcing Portal)	November 2019
Prepare Market Engagement Event	November - December 2019
Prepare tender documents e.g. ITT, Spec, Method Statements, Weightings and Evaluation	November - December 2019
Finalise Tender Documents	Mid December 2019
Publish Tender on E-Sourcing Portal	Early January 2020
Deadline for the submission of clarification questions	Late January 2020
Deadline for submission of tender	Early February 2020
Evaluation period	Mid-February 2020
Complete CP2 Report	Mid February 2020
Send off check point 2 report for approval	Late February 2020
Receive approval from check point panel	Late February 2020
Final date for submission for published forward	Late February/ Early March 2020

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plan	
Agenda Published	Late February/ Early March 2020
Cabinet and Council Meeting	March 2020
Issue Award letters (Successful/unsuccessful bidders)	w/c 20 April 2020 12 noon
Standstill period	20 April – 8 th May 2020
Legal seal and sign contract	w/c 11th May 2020
Award Contract/ Update CapE	w/c 11th May 2020
Contract commencement	w/c 18 th May 2020

OTHER OPTIONS CONSIDERED AND REJECTED

Do nothing

In light of the increasing demand upon the current framework in recent years it is considered essential to subject the taxi work to competition to ensure the most economic rates for service delivery

Re-procure jointly with other boroughs

The local logistics of taxi operations are such that previous efforts to jointly procure arrangements with neighbouring Councils have been unsuccessful as it generally uneconomic to engage firms that are not operating within or close to the Borough.

Further extend the use of the Passenger Transport Service

As mentioned within the body of the paper, the existing customer base for supported transport has been assessed on a case by case basis and where appropriate it has been possible to transfer a number of clients from taxis to the comparatively cheaper transport provided by the Council's Passenger Transport Service, or commission independent travel arrangements. There remains, however, a core clientele where either complex care needs or logistical reasons determine that taxi is the only viable form of transport.

PRE-DECISION CONSULTATION

None

NAME AND JOB TITLE OF STAFF MEMBER ADVISING THE DECISION-MAKER

Name: Mark Butler

Designation: Technical Director

Signature:

Date:

Part B - Assessment of implications and risks

LEGAL IMPLICATIONS AND RISKS

1. This report seeks approval to commence a mini-competition tender exercise to enter into a call-off contract for taxi services (the "Services"). The relevant background is as set out within the body of this report and the appendices to it.
2. The Council is a local authority and a best value authority with duties and powers to make arrangements to secure continuous improvement in the way it exercises its functions, pursuant to Part I of the Local Government Act 1999.
3. The Council has a general power under section 1 of the Localism Act 2011 to do anything that individuals generally may do, including enter into the arrangements proposed in this report; and a general duty under section 1 of the Care Act 2014 to promote the well-being of individuals. "Well-being" in relation to an individual is defined within the 2014 Act as including control by the individual over day-to-day life (including over care and support, or support, provided to the individual and the way in which it is provided).
4. In October 2019, the (Checkpoint) Gateway Stage 01 review panel recommended approval to proceed with the intended procurement process, in accordance with the Contract Standing Orders (CSO) 9.1.1.
5. The total value of the Services exceeds the current EU procurement threshold for services (£181,302), and would generally necessitate publication of a Contract Notice in the Official Journal of the European Union (OJEU) as well as an advertisement on Contracts Finder. However officers' use of an existing Dynamic Purchasing System (DPS), under which the Council is named, or is part of an identifiable group cited, within the published contract notice, satisfies the OJEU advertising requirement.
6. Officers note that the conclusion of any call-off contract is subject to consultation with Legal Services and that depending on contract value(s) any contract award will be subject to future approval.

FINANCIAL IMPLICATIONS AND RISKS

The indicative value of the framework agreement is £1.2m per annum (**£6m over the life of contract**). This is based on 2018/19 outturn expenditure. The cost of taxis will be met from existing budgets held by individual services (predominantly Children's and Adults). It will be the responsibility of the relevant service manager to ensure that they have sufficient funding available to cover the costs of any taxis commissioned through the framework.

Should the new DPS arrangement identify any saving in taxi costs, this will be retained by the relevant services. They will either be reinvested in transport provision to other clients and/or contribute towards existing savings targets within the MTFS.

Demand is expected to increase in regards to pupil numbers as evidenced at the

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children's rising rolls meeting: this is anticipated to increase demand for home to school taxi usage resulting in increased expenditure, however separate initiatives are being undertaken by CAD (project steering board) to reduce the demand for taxi transport.

The Framework should allow for more competition in the market and therefore a slight reduction in price may be seen, however if costs were to increase they would need to be met from within existing service budgets.

**HUMAN RESOURCES IMPLICATIONS AND RISKS
(AND ACCOMMODATION IMPLICATIONS WHERE RELEVANT)**

There are no anticipated HR issues resulting from this decision

EQUALITIES AND SOCIAL INCLUSION IMPLICATIONS AND RISKS

Taxi transport is generally provided on behalf of vulnerable client groups due to age, disability or a combination of factors.

As part of the quality criteria for acceptance onto the framework, potential service providers will be scrutinised to ensure that they can demonstrate that suitable measures and training are in place to satisfy equality, safeguarding and welfare requirements.

BACKGROUND PAPERS

None

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Part C – Record of decision

I have made this executive decision in accordance with authority delegated to me by the Leader of the Council and in compliance with the requirements of the Constitution.

Decision

Proposal agreed

Details of decision maker

Signed



Name: Barbara Nicholls

CMT Member title: Director of Adult Services

Date: 19th November 2019

Lodging this notice

The signed decision notice must be delivered to the proper officer, Debra Marlow, Principal Committee Officer in Democratic Services, in the Town Hall.

For use by Committee Administration

This notice was lodged with me on 21/11/19

Signed A. [Signature]