

Notice of Non-key Executive Decision

Subject Heading:	Approval to extend the contract with Deluxe Healthcare Services Ltd for Independent Travel Training Programme for a period of 12 months
Cabinet Member:	Councillor Oscar Ford – Cabinet Member for Children and Young People.
Decision Maker:	Tara Geere – Director of Starting Well - Statutory Director of Children's Services
SLT Lead:	Tara Geere – Director of Starting Well - Statutory Director of Children's Services
Report Author and contact details:	Adeolu Adesanya, Travel Assistance Assessment Officer, T: 01708 433231 E: Adeolu.adesanya@havering.gov.uk
Policy context:	The initiative aligns with the broader objectives of Havering Council's vision, 'The Havering you want to be part of'. The contract supports the Council's commitment to addressing crucial issues affecting residents, with a particular focus on enhancing the welfare of vulnerable children, adults, and families. The contract aims to provide practical solutions that foster the well-being and independence of young individuals within the community. Empowering and promoting independence for children

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	<p>and young adults to safely travel from home to school.</p> <p>The contract ensures the Council is able to fulfil its statutory obligation by providing sustainable and cost-effective travel assistance to children and young people within the Borough.</p>
Financial summary:	<p>The value of the contract extension will be up to £160,000 for a 12-month period, with the actual cost being based on usage. The costs will be met from existing Children's Services budgets, with the aim that it will reduce or avoid transport costs in the longer term.</p>
Relevant OSC:	People's OSSC
Is this decision exempt from being called-in?	The decision will be exempt from call in as it is a Non key Decision

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

People - Things that matter for residents X

Place - A great place to live, work and enjoy

Resources - A well run Council that delivers for People and Place.

Part A – Report seeking decision

DETAIL OF THE DECISION REQUESTED AND RECOMMENDED ACTION

For the reasons detailed in this report, the Director of Starting Well is recommended to agree:

Extending the contract with Deluxe Healthcare Services Ltd, dated 4th September 2023, for the Independent Travel Training Programme. We are seeking agreement to exercise the final 12-month extension included in the contract. The estimated annual value is £160,000, for 12 months starting from 4th September 2025.

AUTHORITY UNDER WHICH DECISION IS MADE

Scheme of Delegations

Functions Delegated to Officers

3.3.3 Powers common to all Strategic Directors

1. General

1.1 To take any steps, and take any decisions, necessary for the proper management and administration of their allocated directorate

2. Expenditure

2.1 To incur expenditure for their allocated directorate within the revenue and capital budgets as approved by the Council, or as otherwise approved, subject to any variation permitted by the Council's contract and financial procedure rules.

4. Contracts

4. 2. To award all contracts with a total contract value of below £1,000,000 other than contracts covered by Contract Procedure Rule 16.3. This delegation shall include the ability to extend or vary a contract up to and including a value of £1,000,000 (provided that the extension is in line with the existing contractual provisions.)

STATEMENT OF THE REASONS FOR THE DECISION

1. Current Contract

The Council's current contract with Deluxe Healthcare Services Ltd commenced on 4th September 2023 for an initial period of 12 months, with options to extend by a further two 12-month periods (2 x 12). The original estimated value of the contract was £480,000, excluding VAT (£160,000 per annum for 3 years). The first extension has been exercised and is from 4th September 2024 to 3rd September 2025.

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The Independent Travel Training Programme is provided as part of the Council's Home to School Travel Assistance Services to children and young people with special educational needs and disabilities (SEND) who require support and encouragement to travel independently.

The service provides Independent Travel Trainers and a Travel Training Programme to help users travel independently, build confidence, and learn to use different transport methods or walk safely to any destination.

Deluxe is meeting its contractual requirements with the provision of the service. During the current 2024/25 academic year, three students successfully completed their travel training during the Autumn term, and another two students successfully completed their travel training during the Spring term. Seven students are currently undergoing their travel training in the Summer term.

The Travel Training Programme's expenditure under the existing contract as of April 2025, is £59,660, which is significantly below the budgeted expenditure for this contract.

2024/25	USAGE	COST
SEPTEMBER 2024	3 students undergoing ITT, 7 assessments	£9,290
OCTOBER 2024	3 students undergoing ITT	£7,020
NOVEMBER 2024	3 students undergoing ITT	£8,190
DECEMBER 2024	3 students undergoing ITT	£5,850
JANUARY 2025	3 students undergoing ITT, 5 assessments	£9,670
FEBRUARY 2025	2 students undergoing ITT, 2 assessments	£4,100
MARCH 2025	3 students undergoing ITT, 1 assessment	£7,870
APRIL 2025	7 students undergoing ITT, 7 assessments	£7,670
TOTAL		£59,660

2. Extension Period and Costs

An extension to the contract for 12 months will cost an estimated £160,000. This is based on approximately 20 students receiving up to 12 weeks of travel training, with the actual cost based on usage.

The Council has no obligation to guarantee the volume of work awarded to the Service Provider.

The cost of the service provision will be met through existing Children's Services revenue budgets, with the aim that it will be recovered through reduced transport costs in the longer term.

OTHER OPTIONS CONSIDERED AND REJECTED

Option 1 - Commission a Travel Training Framework

This option was rejected due to low demand for travel training services since the new 'home-to-school' statutory guidance was published. A project team assessed the need for a travel training framework and concluded that, despite potential benefits including provider options and reduced Council responsibilities, low demand and sustainability risks made it unviable.

Option 2 - Recommission the service through a tender exercise

Given the timescales, limited resources, and staff capacity, this option would be challenging. This option was rejected based on the following findings:

- There may be better value for money, but it is not guaranteed due to the niche market.
- Limited market interest (for example, Barking and Dagenham Council received one bid for their tender when procuring the same service in 2023).
- Sustainability risks.
- Uncertainty regarding whether to have block or spot purchase.

Option 3 - Set up In-House Service

This option was rejected because the Council lacks experience in offering this service internally. Additional costs would arise from hiring travel trainers and establishing an internal management system.

Option 4 - Extend the existing Contract

This option is recommended. Within the current contract is the ability for the Council to extend the contract for 12 months to ensure service continuity, support local growth, and maintain relationships with schools. This extension will provide time to review the current service and consider the home-to-school project's impact on the Travel Training Programme. The Transport Project Operational Group decided on 9th December 2024 to proceed with this extension.

Option 5 - Do nothing, let the contract expire and have no travel training provision this year

This option was rejected. If no action is taken, the contract will expire on 3rd September 2025, impacting the Council's promotion of travel training as a cost-effective and sustainable travel assistance option. There are also non-financial benefits for residents and the local community.

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The contract has been reviewed by the Transport Project Operational Group, service provider, and procurement and operational colleagues.

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

Name: Adeolu Adesanya

Designation: Travel Assistance Assessment Officer

Signature:



Date: 11th March 2025

Part B - Assessment of implications and risks

LEGAL IMPLICATIONS AND RISKS

The Council has the power to extend the contract for these services under Section 111 of the Local Government Act 1972, which allows the Council to do anything which is calculated to facilitate, or is conducive or incidental to, the discharge of any of its functions.

The Council also has a general power of competence under section 1 of the Localism Act 2011 to do anything an individual may generally do, subject to any statutory constraints on the Council's powers. None of the constraints on the Council's s.1 power are engaged by this decision.

The value of the initial contract was £576,000, inclusive of VAT, which is a below threshold Light Touch contract for the purposes of the Public Contract Regulations 2015 (PCR). The spend under this contract is £59,660 to date, and so this extension will not bring the contract above the relevant threshold. The PCR applies in this instance as the contract was procured under those regulations and remains live.

The contract includes two 12-month extension options at Clause 3.2, the first of which has been utilised. In accordance with paragraph 19.4 of the Contracts Procedure Rules, the contract extension is therefore permitted as it was contemplated at the time the contract was awarded.

Clause 3.2 of the contract also requires the Council to serve written notice of the extension at least two months prior to the expiry date.

In line with CPR 19.8, the reasons and authority to vary, modify or extend the contracts must be recorded in writing and loaded onto the Council's preferred e-tendering suite.

Subject to the written notice being served, the Council may proceed with the extension.

FINANCIAL IMPLICATIONS AND RISKS

The proposal is to extend the contract with Deluxe Healthcare Services Ltd for Independent Travel Training Programme for a period of up to 12 months. The contract will be set at a maximum cost of £160,000 per annum (excluding VAT), with the actual cost being based on usage.

The initial outlay for training (£8,100 per student), will be a short-term investment to be accrued from the Children's Services revenue budget, with the aim that it will either reduce transport costs in the longer term or avoid future additional costs. The level of the reduction will depend on the circumstances of each individual case, and it may take more than 1 year to recover the full training cost.

There is a risk that the cost of training will not be recovered. However, in most cases, once the training is complete, the student will not require Home to School transport,

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which should result in reduced / avoided costs or create additional capacity to help meet future demand.

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

The recommendations made in this report do not give rise to any identifiable HR risks or implications that would affect either the Council or its workforce.

EQUALITIES AND SOCIAL INCLUSION IMPLICATIONS AND RISKS

The Public Sector Equality Duty (PSED) under section 149 of the Equality Act 2010 requires the Council, when exercising its functions, to have due regard to:

- (i) the need to eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Equality Act 2010;
- (ii) the need to advance equality of opportunity between persons who share protected characteristics and those who do not, and;
- (iii) foster good relations between those who have protected characteristics and those who do not.

Note: 'Protected characteristics' are age, sex, race, disability, sexual orientation, marriage and civil partnerships, religion or belief, pregnancy and maternity and gender reassignment.

The Council is committed to all the above in the provision, procurement and commissioning of its services, and the employment of its workforce. In addition, the Council is also committed to improving the quality of life and wellbeing for all Havering residents in respect of socioeconomics and health determinants.

The action undertaken will include monitoring how the service meets the needs of all eligible users, including those from ethnic minority communities and the disabled. The Council will also ensure that potential providers have undertaken equality training and adhere to the Council's Fair to All Policy or their own equivalent.

ENVIRONMENTAL AND CLIMATE CHANGE IMPLICATIONS AND RISKS

The Council's Social Value will be used to assess the environmental impact and plans of the supplier. As a result, the supplier will be required to describe how they intend to minimise impact on the environment by:

- Ensuring that all waste is correctly recycled
- Utilising public transport
- Employing locally wherever possible to reduce the environmental impact of travelling to work

Employing digital solutions to reduce the need for manual recording and disposable materials.

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<p>BACKGROUND PAPERS</p> <p>Havering Travel Assistance Policy 2025-26</p>
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<p>APPENDICIES</p> <p>None</p>

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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

Name: Tara Geere



Cabinet Portfolio held:

SLT Member title: Statutory Director of Children's Services

Head of Service title

Other manager title:

Date: 03/06/2025

Lodging this notice

The signed decision notice must be delivered to Democratic Services, in the Town Hall.

For use by Committee Administration

This notice was lodged with me on _____

Signed _____