

LONDON BOROUGH OF HAMMERSMITH & FULHAM

Report to: Cllr Culhane - Cabinet Member for Children and Education

Date: 25/07/2021

Subject: Travel Care Taxi Framework Award

Report author: Joe Gunning, Commissioning and Transformation Lead

Responsible Director: Jacqui McShannon, Director of Children's Services

SUMMARY

The Travel Care Taxi Procurement Strategy was agreed by Cabinet on the 4th January 2021. Following the procurement exercise this report seeks approval to appoint a number of suppliers onto a Framework for the provision of Travel Care Taxi services for eligible children, young people and vulnerable adults in Hammersmith and Fulham. This service is primarily for travel to and from special schools and day centres.

RECOMMENDATIONS

That the Cabinet Member for Children and Education approves:

1. Appendices 1 and 2 are not for publication on the basis that they contain information relating to the financial or business affairs of any particular person (including the authority holding that information) as set out in paragraph 3 of Schedule 12A of the Local Government Act 1972 (as amended).
2. The appointment of the following suppliers to Lot 1 - Regular and Scheduled Taxi Provision of the Travel Care Taxi Framework for the duration of the four-year Framework.
 - Abbey Wood Station Minicabs Ltd
 - Access Mobility Transport Ltd
 - Clover Car Services Limited
 - Green Tomato Cars
 - GT Gettaxi (UK) Ltd
 - HATS Group Ltd
 - Jimac Radio Cars Ltd
 - Location Cars T/A Olimpicars
 - London Hire
 - London VIP Cars
 - PG Passenger Services
 - Premier Minicab Services UK LTD
 - Wheel Get You There
 - Wyndhams Cars Ltd T/A Chequers London

3. The appointment of the following suppliers to Lot 2 - Ad-hoc Taxi Provision of the Travel Care Taxi Framework for the duration of the four-year Framework.
 - Access Mobility Transport Ltd
 - Clover Car Services Limited
 - Green Tomato Cars
 - GT Gettaxi (UK) Ltd
 - HATS Group Ltd
 - Jimac Radio Cars Ltd
 - Location Cars T/A Olimpicars
 - London Hire
 - London VIP Cars
 - PG Passenger Services
 - Wheel Get You There
 - Wyndhams Cars Ltd T/A Chequers London

4. The following selection and approval methods for the award of call-off contracts for both Lot 1 - Regular and Scheduled Taxi Provision and Lot 2 - Ad-hoc Taxi Provision:
 - a. That the ranking of taxi suppliers (as detailed in the exempt Appendix 1 of this report) be used to directly award all call-off taxi contracts for both Lot 1 - Regular and Scheduled Taxi Provision and Lot 2 - Ad-hoc Taxi Provision according to their ranked positions, unless a mini-competition is required as outlined in the recommendation b below.
 - b. That for out-of-Borough, longer distance, and TUPE-related contracts, and when in the Council's interests to do so, suppliers on the relevant Lot of the Framework will be invited to participate in a mini-competition instead of as outlined in recommendation a. above.
 - c. That the decision to award and enter into call-off contract, valued at £100,000 and under, be delegated to the Head of Travel Care.
 - d. Should any taxi contract be valued at £100,000 or more, that this contract will be awarded by the Head of Travel Care in consultation with the Assistant Director of Children's Commissioning.

5. The commencement of the 4-year Framework beginning on or around 1st August 2021.

Wards Affected: All

Our Values	Summary of how this report aligns to the H&F Values
Building shared prosperity	Employment of local residents on essential frontline services.
Creating a compassionate council	Procuring services that have care at the forefront of delivery for some of the most vulnerable residents in the

	borough.
Doing things with local residents, not to them	Maintaining high standards of existing contracts following lessons learnt experience from previous procurements.
Being ruthlessly financially efficient	Frameworks that are appropriately structured and weighted to meet demand as well as need and drive competitiveness in the market.
Taking pride in H&F	A high-quality service supporting some of our most vulnerable residents to access education and social care provision.
Rising to the challenge of the climate and ecological emergency	The contractors must comply with the requirements specified by Transport for London for the London Emission Zone (LEZ) including any current or future legislative requirements including Ultra Low Emission Zone (ULEZ).

Financial Impact

1. The forecast for Transport costs 2021/22 for the current cohort of children and young people is £4.083m for Special Educational Needs (SEN) and £0.600m for Looked After Children (LAC).
2. A 0.5% indexation increase has also been factored into the 2021/22 forecast.
3. The spend is demand driven and reflects the complex cohort of children and young people often requiring transport to distant placements. Significant budget growth has been agreed in recent years to mitigate the demand led growth with an agreed 2021/22 budget of £4,017,500 excluding personal budgets. Spend is similarly demand led for Looked After Children with an agreed 2021/22 budget of £602,300.
4. There is no substantive change to provision therefore costs are expected to remain broadly the same. There may be slightly lower prices as a result of this procurement from marginally lower unit costs however it is difficult at this stage to understand how the framework will respond to demand. A reduction of £50,000 has been factored into the revised forecast.
5. Place Planning activity is currently underway and will inform the future requirements for the framework in the new academic year. It is expected that the framework will help support mitigating any variances as well as other activities including travel training and supporting children and young people with developing independence.
6. Significant investment has been made by the Council since 2014/15 of circa £2.1m to ensure young people can access Education in a safe way.

WHOLE TRANSPORT BUDGET

	Annual Budget	Full year effect of current rates	2021/22 effect of new framework rates	Total budget / revised forecast Variance
SEN Travel Care and Support	£4,017,500	£4,083,517	£4,033,518 Of which £2.090m relates to taxi transport.	16,018
LAC Transport	£602,300	£600,000	£600,000	-£2,300
Total	£4,619,800	£4,683,517	£4,633,518	£13,718

Legal Implications

1. This report recommends appointments to a multi-provider Framework with two lots as listed in the recommendations to this report. The total value of the call-off contracts likely to be awarded under the Framework exceeds the threshold for services under the Public Contracts Regulations 2015 ("PCR") above which a tendering exercise is required, which is currently £189,330. Therefore, the PCR applies in full, and the requirements of reg 33 concerning the procurement of Frameworks and award of call off contracts needs to be followed.
2. Under the Council's Contract Standing Orders, both the procurement of the Framework and also many of the subsequent call-off contracts are above the threshold for classification as "High Value". Accordingly, there was an approved procurement strategy which set out the adoption of a procurement process for the Framework, and this was followed through the procurement process, which used the open procedure.
3. The tender documentation included award criteria which were applied to determine the most economically advantageous tenders, with all tenderers being appointed to the Framework unless they did not meet minimum criteria, but the MEAT scoring being used to determine the ranking for direct award of call off contracts. This is in accordance with reg 33 which requires the application of objective criteria in awarding call off contracts without re-opening competition.
4. The decision maker needs be satisfied that the recommended framework appointments and rankings are being made to the tenderers submitting the most economically advantageous tenders on the basis of the award criteria set out in the Council's tender documentation.
5. The report is also seeking approval for a process to manage the award of call off contracts. A call off contract (also known as an order) can be a single journey or can be a regular school route granted for a year or more. Even where an individual order qualifies as a High Value contract in its own right,

both the PCR and Contract Standing Orders recognises use of a compliant framework as a procurement route instead of having to tender that contract individually. However, in order to make the order process manageable, approval is requested for the decision-making to be taken by authorisation of officers. A waiver of Contract Standing Orders has also been approved by the Contracts Assurance Board to dispense with the requirement for an approved Procurement Strategy for all High Value call off contracts proposed to be called off from the framework.

6. A contract award notice must be published in the Find-a-tender Service within 30 days of award of the contract and Contracts Finder 24 hours thereafter.
7. The tender was issued with a draft form of Framework agreement and order form and these will be utilised in finalising contractual documentation.

Contact Officers

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Background Papers Used in Preparing This Report

None

DETAILED ANALYSIS

Proposals and Analysis of Options

1. This report seeks approval to establish a four-year Travel Care Taxi Framework from 26 May 2021. The lifetime framework value will be £10.592m, this is based on an estimate of maximum spend over the four years in line with current usage. Taxi services under individual call-off contracts will commence from September 2021 at the start of the new academic year.
2. A full and open compliant procurement exercise has taken place, and the outcome of the procurement is positive. A highly competitive response was received from the market. Suppliers could bid for either Lot 1 or Lot 2 or both

Lots and a total of 17 individual suppliers submitted bids. 17 bids were received for Lot 1 (regular scheduled taxi services), and 15 bids were received for Lot 2 (ad-hoc taxi services) and therefore a total of 32 individual tenders were received and evaluated.

3. The proposal is to appoint suppliers to a Framework Agreement for Travel Care Transport Taxi services which is split into two Lots, with separate specifications and requirements. Tenderers were invited to bid within each lot for seven specified driver-only vehicle categories and seven specified driver and passenger assistant categories.
4. The procurement was undertaken using the open procedure (without a pre-qualification stage). Tenders received were evaluated in three stages, including qualification (pass/fail minimum standards), technical (quality), and commercial (price). For Lot 1, the criteria for award consisted of 60% for quality and 40% for price. For Lot 2 the criteria for award consisted of 40% quality and 60% price.
5. Of the suppliers who tendered, two did not pass the Councils' qualification criteria which detailed minimum requirements relating to financial and economic standing. At the next stage, one supplier did not pass the quality stage of Lot 1 and another provider did not pass the quality stage of Lot 2, as their responses to the quality criteria did not demonstrate satisfactory evidence that they could deliver the service to the Councils' specified standards, tenderers having been advised that any tenderers scoring 1 or 0 on any Method Statement would be rejected. Full scoring is set out in exempt Appendix 2.
6. Pricing was evaluated by each tenderer submitting a price per mile for the different vehicle categories in which they were interested, and this was then factored into an evaluation model taking into account likely volumes during the year. Full scoring is set out in exempt Appendix 2.
7. In accordance with the Council's Social Value policy, the evaluation of a Social Value offer formed part of the overall evaluation. However, many tenderers encountered difficulty in being able to put forward a Social Value proposal as they do not know the value of the orders they will receive (the Council's own policy applies only to contracts in excess of £100,000). Following advice from Legal and Social Value Officers, a clarification was issued to all tenderers seeking a commitment to confirm that they would deliver a minimum of 10% Social Value where spend exceeds £100,000 in the framework year and that they would work collaboratively with the Council to formulate a social value offer. Once all providers had confirmed they would meet this criteria, a notification was issued to all providers advising them that the assessment of Social Value from the evaluation of quality / technical aspect would be removed, and all tenderers will automatically receive a score of 5 for their Social Value score at Tier 2 level, covering both their value percentage offer and method statement. This ensured that all tenderers were treated equally. This applied to both lots. The commitment to deliver social value will still be a requirement of the contract after year 1 of the Framework, and the exact nature of the Social Value to be delivered will be formulated at that point for those companies which have received in excess of £100,000 in orders during that first year.

8. The outcome of this procurement is the establishment of a robust and sustainable framework of taxi suppliers, that derives value for money, that has been co-designed by key stakeholders, and that will meet the needs of eligible children, young people and vulnerable adults.
9. The recommendation is to appoint 14 suppliers for Lot 1 Regular Scheduled services and 12 suppliers for Lot 2 Ad-Hoc services. The report also seeks approval for the appropriate delegated authority to call-off contracts from the framework.
10. The majority of call-off contracts will be awarded through a direct award, which will form the majority of call-off contracts awarded. A ranking will be applied to determine the direct award. Each supplier's overall quality score was added to their commercial price score for each vehicle category. The combined quality and commercial scores determine the suppliers' appointment and position on the Framework by a "league table" ranking for each vehicle type. Suppliers will be offered routes according to the direct award call-off process based upon their ranking in the "league table".
11. The ranking of each supplier for each of the Lots according to vehicle type is included in the exempt Appendix 1.

Option 1 – Appoint recommended providers to the Travel Care Taxi Framework (recommended)

12. A rigorous evaluation process took place to ensure that only those suitable to provide a quality service would be appointed on to the framework. The evaluation panel included a number of Officers and stakeholder partners including a parent representative from Parents Active and an Assistant Headteacher from a key special school who were able to bring their expertise to evaluate relevant questions.
13. Following appointment onto the Framework, individual contracts will be awarded to the highest scoring taxi supplier (based on combined quality and cost) within each Lot and vehicle category. Where the highest scoring supplier is unable to meet this demand (subject to their capacity and availability) the contract will be awarded to the second highest scoring supplier and so on. This process is referred to as a 'call-off'.
14. Ad-hoc taxi journeys will be called-off as and when they are required according to the Lot 2 league table rankings which can be found in the exempt section of this report.

Option 2 – Do not appoint recommended providers to the Travel Care Taxi Framework (not recommended)

15. This option is not recommended. The Local Authority would not be able to meet its statutory duties and there is no viable alternative. Carrying out a fresh procurement exercise would mean that there is no contract vehicle in place for the Council to use to place its requirements for these services, given that the current framework has expired.

Reasons for Decision

16. The Local Authority has a statutory duty to provide home to school transport provisions as per the Education Act 1996. The Council has a Travel Assistance Policy which clearly sets out these duties, together with further information via the Local Offer.
17. For Adults, the Care Act 2014 stipulates a duty to Local Authorities to meet assessed needs, and while transport is not prescribed provision, it may be one way of meeting people's assessed needs and preferences relating to their personal outcomes towards independence and engagement with the community. Spend within Adult Social Care is of low value and ad hoc in nature.
18. The framework which services the existing taxi contracts expired in May 2021 with no option to extend.

Reasons for delegated authority to call-off contracts from the Framework

19. The approval of delegations to award call-off contracts under the Taxi Framework, outlined in the recommendations of this report, is considered necessary in light of the fact that call-off contract can, especially under Lot 2, consist of a single journey ordered at a few hours' notice. There is also a high volume of contracts required to be placed at time for the start of the academic year. Overall in excess of 1,000 call off contracts in the form of individual orders will be required per year. The delegations will enable the service to:
 - Offer a quality transport taxi service that is responsive, flexible and offers real-time provision to meet the needs of the child, young person or vulnerable adult;
 - Ensure that the volume of call-off contracts required at the beginning of the new academic year in September is provided without delay or disruption to children and young people's needs;
 - Meet the changing demands of passenger transport on an ongoing basis in a timely and efficient manner;
 - Achieve best value for the Council by ensuring that where applicable out of borough, longer distance and TUPE related contracts are subject to mini-competition, and;
 - Ensure that taxi contracts can be modified to support the Council's fluctuating demands and achieve best value for money through route optimisation whilst also ensuring consistency of service.

Equality Implications

20. The report seeks to maintain the current service specification. There are no direct negative impacts anticipated on protected groups under the Equalities Act 2010.

Risk Management Implications

21. The service specification and procurement activity has been undertaken to ensure the continuity and standard of the service deliverable to the client continues to be of a high quality to ensure it meets their needs and expectations.

Given vulnerability of many of the users and higher duty it places upon the Council it will be important to seek and retain evidence of roadworthiness and general compliance with operator H&S requirements and that adequate insurance is being maintained.

Implications verified by: Ray Chitty, Head of Shared Insurance Service, 07739315565

Climate and Ecological Emergency Implications

22. The Council is committed to delivering a net zero carbon borough by 2030, including transport used locally, and expects all fleets used within its contracts to be zero carbon before this date.
23. Each Contractor is expected as part of the service specification to increase the proportion of electric vehicles used to provide the service over the duration of the contract period, aiming for a minimum of 25% of journeys to be by electric vehicle by January 1st 2024. Officers will continue to work collaboratively with providers to increase the target where viable.
24. The providers' approach to meeting this commitment was assessed as part of the Quality stage of the procurement process.
25. In practice a number of providers are working to expedite their transition to electric vehicles and Officers will work collaboratively with providers to accelerate this further where possible.

Implications verified by: Hinesh Mehta, Strategic Lead – Climate Emergency, 07960 470125

Procurement implications

26. The results of the evaluation process have been verified against the e-tendering system on 02 July 2021.
Project: prj__18626 - Travel Care Taxi Services
itt__14334 - Lot 1 Taxi Services Regular Journeys
itt__14338 - Lot 2 Ad Hoc Journeys

Local Economy and Social Value

27. The Council's Social Value Strategy requires all procurement activities over £100,000 to generate a minimum 10% in social value.
28. Tenderers have committed to provide a minimum of 10% Social Value per £100,000 of spend in a framework year, as part of their submission. It is recommended commissioners and contract managers will closely monitor the spend and work collaboratively with providers to develop their social value delivery approach, when the threshold is reached. However, it is also recommended that the engagement with contractors should start as early as possible, so contractors understand the social value requirement and work together with commissioners and contract managers to plan activities that can add value to the contract, in support of departments strategic needs and wider Council's objectives.
29. Suppliers will be required to register on the Social Value Portal to report progress on delivery and pay the relevant fee as per the tender documents. Commissioners ensured that the contract would include penalties for non-delivery of social value commitments.
30. It is recommended that contract managers will work with H&F's Social Value Officer to assist suppliers in formulate a social value offer that will reach 10% for every £100K of spend, in line with the Social Value Strategy requirement.

Implications by: Ilaria Agueci, Social Value Officer, tel. 0777 667 2878

Consultation

31. Feedback on the current service is positive, with weekly feedback received from key special schools in the borough. Consultation has been limited due to COVID-19, however Officers attended Parents Active in September 2020 to provide an opportunity for parents to discuss transport. A parent representative and an Assistant Head were both part of the evaluation panel who were able to bring their expertise to evaluate relevant questions.

LIST OF APPENDICES

- Appendix 1 (Exempt): League Tables
- Appendix 2 (Exempt): Detailed Scoring