

LONDON BOROUGH OF HAMMERSMITH & FULHAM

Report to: Cllr Sanderson, Cabinet Member for Children and Education

Date: 29 April 2024

Subject: Travel Care and Support Minibus Award

Report author: Joe Gunning, Programme Lead, Children's Commissioning

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

SUMMARY

The Travel Care Minibus Procurement Strategy was agreed by Cabinet on the 17 July 2023. Following the procurement exercise this report seeks approval to award a contract for the provision of Travel Care Minibus Services for eligible children, young people and vulnerable adults in Hammersmith and Fulham.

RECOMMENDATIONS

The Cabinet Member for Children and Education approves:

1. That Appendices 1 and 2 are not for publication on the basis that they contain information relating to the financial or business affairs of any particular person (including the authority holding that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).
 1. The award of a contract to HATS Group Ltd (Olympic South) for the provision of Travel Care minibus services from 1 August 2024 to 31 July 2029 with the option to extend for a further two years.
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Wards Affected: All

Our Values	Summary of how this report aligns to the H&F Values
Building shared prosperity	Employment of 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	Contracts 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

See exempt appendix 2.

Implications by: Tony Burton, Head of Finance Children’s and Education, 28 March 2024

Implications verified by: James Newman, AD Finance 8 April 2024

Legal Implications

This report recommends that the Cabinet Member approves a recommendation to award a contract for travel care minibus services to a company known as ‘HATS Group Limited’ (previously known as ‘Olympic South’) for the period from 1st August 2024 to 31st July 2029 with a value of £2,374,416 per annum. The Council carried out a procurement using the open procedure which is compliant with the Public Contracts Regulations 2015 and the Council’s Contract Standing Orders.

The appropriate decision maker is the Cabinet Member.

The decision is a Key Decision (see Article 12 of the Constitution) and the report must be submitted to Committee Services for publication on the Council’s website.

Angela Hogan, Chief Solicitor (Contracts and Procurement) 20 March 2024

Background Papers Used in Preparing This Report

None

DETAILED ANALYSIS

Proposals and Analysis of Options

1. This report seeks approval to award a contract to HATS Group Ltd (Olympic South) for five years from 1 August 2024, with the option to extend for a further two years.

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. A total of 10 bids were received.
3. The procurement was undertaken using the open procedure. Tenders received were evaluated in three stages, including qualification (pass/fail minimum standards), technical (quality), and commercial (price). The criteria for award consisted of 60% for quality and 40% for price.
4. Of the suppliers who tendered, seven did not pass the Councils' qualification criteria which detailed minimum requirements relating to professional experience and financial and economic standing. At the next stage, one supplier did not pass the quality stage, as their responses to the quality criteria did not demonstrate satisfactory evidence that they could deliver the service to the Councils' specified standards. Full scoring is set out in exempt Appendix 1.
5. Tenderers submitted pricing based on indicative volumes during the year which was then factored into an evaluation model. Full scoring is set out in exempt Appendix 1.
6. The outcome of this procurement is the establishment of a robust and sustainable contract, 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.
7. A review of commissioned and inhouse services for Older People is planned for 2024/25. The project scope is a co-produced redevelopment of day opportunities with focus on Independent Living and outreach with less reliance on building-based activities. Any changes in demand associated with this work can be dealt with via contract variation.
8. LWEO costs were historically charged to Children Short Break budget but there are currently a number of residents attending who have transitioned to Adult Social Care. A review of these residents will take place to explore alternative travel options that maximise independence and delivers the most cost efficient, appropriate transport. This work will be undertaken under the management of the Strategic Lead for Transitions and may result in a change in demand for minibus allocation.

Option 1 – Award a contract to HATS Group (Olympic South) for the provision of Travel Care minibus services (recommended)

9. A rigorous evaluation process took place. The evaluation panel included a number of officers and stakeholder partners including a parent representative from Parents Active and Headteacher from a key special school who were able to bring their expertise to evaluate relevant questions. Awarding the contract to the successful tenderer enables the Council to discharge its statutory duties in providing minibus travel care support services to eligible residents.

Option 2 – Do not award a contract for the provision of Travel Care minibus services (not recommended)

10. 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 contract will expire on the 31 July 2024.

Reasons for Decision

11. 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.
12. 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.
13. The current contract expires on the 31 July 2024 with no option to extend.

Equality Implications

14. The recommendations in this paper secure continuity of provision and will have a positive impact on vulnerable adults, children, young people, and their families accessing the service. There are no negative equality implications for groups with protected characteristics under the Equality Act 2010 arising from the approval of these proposals.

Risk Management Implications

15. 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.

Implications verified by: David Hughes, Director of Audit, Fraud, Risk and Insurance, 21 March 2024

Climate and Ecological Emergency Implications

16. 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.
17. However, the market for specialist electric minibuses with sufficient seating capacity and access equipment remains underdeveloped at this moment in

time. Officers have taken steps to support the climate emergency via maximum age and mileage requirements for vehicles within the service specification.

18. Children's commissioning and climate unit officers will collaborate, and work with partners to explore opportunities to support switching fleets to greener energy sources during the lifetime of this contract as the market develops further. This may require further Council investment to deliver which would be subject to a separate decision paper.

Implications verified by: Jim Cunningham, Climate Policy & Strategy Lead, 26 March 2024

Procurement implications

19. Moderated scores have been verified against the moderation document and a compliant process has been followed (prj_23367)
20. The moderation document shall be uploaded to itt_17942 for audit purposes.
21. A contract shall be created in the contract register and signed copy of the contract uploaded to ensure compliance with statutory transparency requirements.
22. The contract award notice shall be published via capitalEsourcing.
23. A contract manager will be allocated by the service and regular reporting on performance will commence once the contract is mobilised.

Completed by: Waheeda Soomro, Commercial Manager 25 March 2024

Implications verified by: Jacqueline Rutherford Category Specialist 25 March 2024

Local Economy and Social Value

24. There is a mandatory requirement for contracts over £100,000 to incorporate Social Value, through 20% of the evaluation scoring. Officers evaluated the proposals as per the methodology within the Invitation to Tender as part of the Technical Envelope.
25. Commissioners and contract managers will work with the successful tenderer to implement a delivery plan. The provider will be required to report on their targets through an agreed method for effective monitoring.
26. Commissioners have worked closely with Legal Services to ensure appropriate social value clauses are included in the contract, so that the Council can enforce its right to compensation if social value commitments are not delivered.

Implications verified by: Oliur Rahman, 26 March 2024

Consultation

27. Feedback on the current service is positive. A parent representative and an Headteacher of a Special School were both part of the evaluation panel and were able to bring their expertise to evaluate relevant questions.

LIST OF APPENDICES

Appendix 1 (Exempt): Full Scores

Appendix 2 (Exempt): Financial Implications