



Cabinet

10 DECEMBER 2012

**CABINET MEMBER
FOR CHILDREN'S
SERVICES**

*Councillor Helen
Binmore*

**CABINET MEMBER
FOR COMMUNITY
CARE**

Councillor Marcus Ginn

INTERIM TAXI PROVISION

This report seeks approval for interim measures to ensure continuity of taxi/ private hire transport for special education needs, looked after children, and vulnerable adults.

The interim measures are needed to cover the period from 5th January 2013, when the Council's existing taxi/private hire framework agreement will expire, until a period no later than 31st March 2014 when a tri-borough special needs passenger transport contract is scheduled to have been let and bedded down.

**Wards:
ALL**

CONTRIBUTORS

Tri-Borough Executive
Director for Children's
Services.

Tri-Borough Executive
Director for Adult
Social Care

Recommendations:

1. That approval is given to a package of interim measures to secure provision of taxi/private hire transport from 5th January 2013 to 31st March 2014.
2. Specifically, that approval is given to:
 - a) The signing of an access agreement with L.B. Brent, thereby enabling the Council to use taxi providers (both with and without passenger assistants) on the West London Alliance Taxi Framework contract.
 - b) Optimising route-sharing opportunities for vulnerable children and adults with R.B. Kensington & Chelsea Taxi Framework providers (both with and without passenger assistants), and that in instances where the RBK&C Framework provides the most cost-effective solution for specific routes, arrangements are

**HAS AN EIA BEEN
COMPLETED?**

The equalities
implications are
included within the
report

**HAS THE REPORT
CONTENT BEEN
RISK ASSESSED?
YES**

entered in to for those routes.

- c) Offering existing H&F providers the opportunity to continue operating routes up to 31st March 2014 where this proves to be the most sensible short-term solution for current vulnerable service users, with re-negotiated prices if possible.**

1. EXECUTIVE SUMMARY

- 1.1 The London Borough of Hammersmith & Fulham's (H&F's) Taxi/Private Hire Framework Agreement expires on 4th January 2013.
- 1.2 As there is no provision to extend the contract beyond this date, an interim solution is required to ensure continuity of service for vulnerable groups, up to the time that the tri-borough special needs passenger transport contract currently being tendered by Westminster City Council (WCC) is operational, expected to be September 2013.
- 1.3 The overwhelming majority of vulnerable children and adults requiring transport are provided for by an in-house direct service organisation (DSO) based at Bagley's Lane Depot, using a fleet of specially adapted mini-buses.
- 1.4 Taxis, and where needed passenger assistants, are required for vulnerable children and residents when the DSO mini-bus service is not feasible or economic for particular journeys.
- 1.5 Both modes of transport - the DSO mini-bus and externally provided taxi services - are included in the tri-borough passenger transport procurement exercise being led by WCC.
- 1.6 H&F's usage of taxi and private vehicle hire for special needs transport has declined over the past 4 years, since the current H&F framework contract was awarded in 2008. This has been due to a combination of factors, including more children with SEN attending a school within the borough, and therefore being transported by mini-bus with others rather than by taxi.
- 1.7 Nonetheless, the need to use taxi transport for vulnerable client groups remains.
- 1.8 In order to ensure service continuity, minimise potential disruption to vulnerable clients and optimise value for money, the report recommends the following interim solution:
 - a) Signing an access agreement with L.B. Brent to enable H&F to utilise taxi and/or passenger assistant providers on the West London Alliance (WLA) Taxi Framework contract;
 - b) Continuing to optimise route sharing opportunities for vulnerable clients with the RBKC Taxi and Passenger Assistant Framework contract and, in instances where the RBKC Framework provides the most cost effective solution for specific routes, that contracts are entered into for those routes.
 - c) In instances where the existing H&F Framework providers prove to be the most sensible short term solution for current service users and/or the Council, offering existing providers the opportunity to continue to operate these routes, with route prices renegotiated if possible.

2. **BACKGROUND**

Existing H&F Framework

2.1 The H&F Taxi Framework was awarded by Cabinet in November 2008 for a period of 4 years to eight providers, and commenced in January 2009. It is comprised of four "lots", involves the use of mini-competitions, and covers the following client groups:

- Children with special educational needs from home to school (SEN);
- Looked after children (LAC);
- Vulnerable adults from home to day care centres and other places (ASC);
- Young people who require custodial supervision (Youth Offending Team services);
- Officer transport.

Current usage and spend

2.2 As at September 2012, 12 SEN children, 8 Looked After Children and 10 ASC are transported on regular taxi bookings, plus a substantial number of different LAC children on ad-hoc bookings. At the time of contract award in 2008, the approximate annual spend on taxi transport was estimated at £950k. This expenditure is known to fluctuate due to variations in demand, but is now estimated to have dropped to around £700k pa.

Policy Changes reducing 2008/2009 Spend

2.3 The following factors have all contributed to reduced taxi usage:

- A recent tri-borough review of the policy for the use of taxis by LAC which advocates the use of Oyster Cards as opposed to taxis indicates an initial reduction of approximately 50% on taxi use.
- An increase in the number of H&F children with SEN attending a school in the borough.
- The YOT transport service transferring to the Youth Justice Board in December 2012.
- The personalisation agenda creating new requirements and flexibilities for ASC.
- The creation of Tri-borough departments for Children Services and Adult Social Care bringing new opportunities for increased route-sharing across the three boroughs.

Tri-borough passenger transport procurement

2.4 A competitive tendering exercise is being led by Westminster City Council to procure special needs passenger transport on behalf of the three boroughs. The scope of this contract will cover the provision of transport, including taxi transport with or without passenger assistants, for children with SEN, LAC and ASC.

- 2.5 The WCC OJEU contract notice was published on behalf of the three boroughs in September 2012. Short-listed bidders are due to be selected and invited to tender by December 2012, with a new contract expected to begin September 2013 at the start of the new academic year.
- 2.6 A report setting out the benefits and risks of a tri-borough contract will be presented for Cabinet Members consideration in December 2012.

3. OPTIONS FOR INTERIM PROVISION

Continued use of existing H&F providers for current service users

- 3.1 Given that the tri-borough passenger transport contract will not commence until September 2013, the brief period of time for which any interim arrangement will be operative, and the need to minimise possible disruption and distress to vulnerable service users by reducing the number of possible service-provider changes over this period, officers considered it prudent to compare H&F's current costs and seek competitive quotations through two additional Framework Agreements, one let by L.B. Brent on behalf of the WLA, and the other let by RBKC.

WLA Framework

- 3.2 A recently tendered WLA Passenger Transport Framework agreement covers passenger transport for children, vulnerable adults, and concessionary travel and taxi cards. The London Boroughs of Hounslow, Brent, Ealing and Barnet are fully participating in this contract, with partial participation by London Borough of Harrow. The framework includes 24 private hire and taxi contractors who underwent appropriate prequalification regime for their specialist areas of work. The WLA operational Passenger Transport Programme commenced in September 2012. Through initial meetings, the WLA has demonstrated its desire to establish a positive partnership relationship with tri-borough Children's and Adults Services.

RBKC Taxi Framework

- 3.3 The RBKC Taxi Framework commenced on 1 April 2010 and ceases on 31 March 2014. The Framework consists of six contractors. Since the commencement of the contract, routes have been shared for WCC and H&F children.

Benchmarking the RBK&C and WLA Frameworks

- 3.4 Forecasted transport schedules, including the requirements for wheelchair access, passenger assistants and frequency of routes required, were prepared by the Business Development and Policy Team in 3B Children's Services, with the CS and ASC Commissioners using benchmark data from early September 2012. The schedules were forwarded and returned to/from providers within the WLA and the RBKC Framework Agreements to enable benchmarking.
- 3.5 The number of specialist taxi providers offering wheelchair access and/or passenger assistants is limited. Some operators are on more than one of the Framework Agreements. Within the past month, one of

the six Taxi providers within the RBKC Framework who provided Passenger Assistants has ceased trading in that sector and at the beginning of November 2012 H&F ceased trading with a specialist provider of Passenger Assistants.

- 3.6 Five of a possible thirty contractors on the WLA and RBKC Frameworks competitively bid for individual routes during the quotations exercise.

Convert all routes from H&F Framework	Approx annual reduction in comparison to existing H&F Frameworks	Not recommended
WLA Framework	£218K	Not recommended as the WLA Framework Agreements are understandably still “bedding down” and this solution would not provide the best value for money.
RBKC Framework	£117K	Not recommended as this option does not offer the best value for money.

- 3.7 Options appraisals on accessing the WLA and RBKC frameworks have been carried out, along with their equalities implications, potential disruption to H&F’s most vulnerable children and adults, latent efficiencies, recent changes in relevant policies, risks and the practicalities of securing sensible temporary arrangements.

4. CONCLUSION AND RECOMMENDATION

- 4.1 Having undertaken a comprehensive quotation exercise with 30 potential providers, it is proposed that with effect from 5th January 2013 – 31st March 2014 (with suitable break clauses) the transport routes required for SEN, LAC and ASC for H&F be phased in to be provided by suitable contractors using a combination of the WLA and RBKC Framework agreements, and, in instances where the existing H&F providers prove to be the most practical solution for current vulnerable service users, entering into direct agreements with these providers to continue to operate specific routes. The H&F prices will be renegotiated if possible. The 31st March 2014 date is recommended as a contingency to cover any slippage in the wider WCC-led 3B passenger transport procurement.
- 4.2 Based on benchmarking data mentioned in section 3 of the report, and taking account of the changing use of taxi transport, this

recommendation would secure estimated savings of approximately £225k in a full year.

- 4.3 The recommendation made at paragraph 4.1 offers substantial savings and is considered the best value option, taking prices, service quality, safeguarding, TUPE and other issues into consideration.

5. WORKFORCE IMPLICATIONS

- 5.1 The TUPE implications associated with changing the Framework agreements are yet to be fully determined. The main area where TUPE could be a consideration is where passenger assistants employed by the incumbent companies work solely with H&F clients. In reality many routes have changed over the past four years and claims have not been made by Passenger Assistants for transfer under TUPE legislation. However, should this situation arise, experienced officers will broker the TUPE implications. Consideration has been applied to this topic when making the recommendations in this report.

6. EQUALITY IMPLICATIONS

SEN and LAC

- 6.1 There will be minimal impact on SEN and LAC service users as a result of the recommendations within this report.
- 6.2 The recommendations do not change eligibility for SEN children. The majority of children and young people with special educational needs or disabilities requiring travel assistance to school are accommodated on the Hammersmith and Fulham Direct Services Organisation (DSO) passenger transport service. There are a small number of children and young people with special educational needs or disabilities whose needs are not met at some point in the school year on the routings available, or whose medical or behavioural needs are such that minibus travel is not recommended, or public transport with an escort is possible.
- 6.3 The needs of these few children (currently 8 SEN children and 9 LAC Children) are at present met through the current H&F private hire/taxi Framework agreement. It is made clear at the outset to the service users and their families that any travel assistance being put into place may be subject to variation, such as sharing routes, personnel, and time-table and traffic changes. These changes are managed through individual contact with parents and carers by telephone or email from their SEN caseworker and LAC Social Workers. This proposal may require an increase in the number of contacts at one particular point in time; SEN managers will plan and prepare for this. Experience to date has shown that providers of SEN/disability transport are capable of ensuring a smooth transition between types of travel assistance with minimal or no impact on the experience of the child or family or school. The bookings for LAC transport are undertaken by the transport team of tri borough CS. This proposal will not change the position for end users.

ASC

- 6.4 In assessing the impact of equalities issues for vulnerable adults with regard to a possible change in taxi provider, it has been determined that there will be no reduction in service, change in eligibility, or inconvenience to clients. For these reasons it is considered that there will be a neutral impact on equalities from this change. To assist with any transition, care management teams will liaise directly with the user and/or carer/s to discuss changes.

7. COMMENTS OF THE EXECUTIVE DIRECTOR OF FINANCE AND CORPORATE GOVERNANCE

- 7.1 Expenditure on the current H&F private taxi framework agreements in 2011/12 was approximately £700K. Such is the scope of the current contract this figure includes transportation for SEN children, LAC and ASC, and broader council uses such as couriers and officer travel.
- 7.2 Under the proposed new contractual arrangements, taxi transportation for SEN, LAC and ASC would be segregated from these broader transport uses. This means that total contract value as a measure of value for money between the old and new arrangements cannot be used, as the contracts are not like for like. Furthermore, total expenditure as a comparative tool in this circumstance would be deceptive, as the number of vulnerable adults and children transported fluctuates over time.
- 7.3 For the purpose of financial analysis, therefore, value for money has been measured by using the routes for SEN, LAC and ASC in September 2012 as a benchmark to compare the current and proposed rates.
- 7.4 Should the recommendation set out at paragraph 4.1 be endorsed, whereby routes are assigned to a taxi provider on a best value basis, a significant saving is envisaged. Based on the actual routes as were required in September, the comparison of current route cost verses new route cost could yield savings of up to 54 percent.

8. COMMENTS OF THE DIRECTOR FOR LEGAL AND DEMOCRATIC SERVICES

- 8.1 This report recommends an interim solution. The Council has a duty to arrange for facilities and transportation for children and vulnerable adults under social care legislations. Further detailed comments are set out in the exempt part of the agenda.

9. COMMENTS OF THE DIRECTOR FOR PROCUREMENT AND IT STRATEGY

- 9.1 The report recommends a pragmatic interim solution that seeks to ensure service continuity for vulnerable groups of clients, whilst at the same time optimising value for money to the Council and delivering financial savings until such time that the Tri-borough passenger transport contract is operational in September 2013, or later. The

recommended approach has been endorsed by the Bi-Borough Procurement Board.

LOCAL GOVERNMENT ACT 2000
LIST OF BACKGROUND PAPERS

No.	Description of Background Papers	Name/Ext of holder of file/copy	Department/ Location
1.	All background papers	Collette Gilroy-Levan 020 7361 3344	Tri-Borough Children's Services, Kensington Town Hall, Horton Street, W8 7NX
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