


<p align="center">London Borough of Hammersmith & Fulham</p> <p align="center">Cabinet</p> <p align="center">7 NOVEMBER 2016</p>	
<p>TRAVEL CARE AND SUPPORT SERVICES</p>	
<p>Report of the Cabinet Member for Children and Education – Councillor Sue Macmillan</p>	
<p>Open Report</p> <p>A separate report on the exempt part of the agenda provides exempt information, strategic information (the exempt appendix 1) and exempt financial information (the exempt appendix 2).</p>	
<p>Classification: For Approval</p> <p>Key Decision: Yes</p>	
<p>Consultation: Schools/Education (including Special Educational Needs) Family Services Procurement Legal Services Corporate Communications</p>	
<p>Wards Affected: All</p>	
<p>Accountable Director: Rachael Wright-Turner, Director of Commissioning</p>	
<p>Report Author: Jody Nason, Strategic Commissioner</p>	<p>Contact Details: Tel: 07739 314473 E-mail: jody.nason@rbkc.gov.uk</p>

1. EXECUTIVE SUMMARY

- 1.1. Following the expiration of the West London Alliance Framework for transport services, a re-procurement of sovereign transport contracts will occur with an enhanced service specification to increase quality.

2. RECOMMENDATIONS

- 2.1. To extend current contracts with existing providers on the Westminster Framework for up to 5 months in order to align the start of a new service with the start of a new academic year in 2017.

- 2.2. To directly award contracts to existing providers on the West London Alliance Framework for up to 5 months in order to align the start of a new service with the start of the new academic year in 2017 and to also allow ASC services to adjust transport provision in the light of concurrent reviews of day care for Older People and People with Learning Disabilities.
- 2.3. To waive the Contract Standing Orders requirement for undertaking competitive bidding for these direct awards
- 2.4. To commence an open procedure re-procurement of a framework agreement for contracts, for a period of up to 7 years (5 + 2) beginning in summer 2017, on a sovereign basis for minibuses and taxis for home to school transport which can be accessed by both Children's and Adult Services.
- 2.5. To seek Cabinet approval in April 2017 for the award of the framework agreement and contracts to enable a full term for mobilisation of the new transport service contracts in time for a September 2017 start.

3. REASONS FOR DECISION

- 3.1. The West London Alliance (WLA) framework was procured on behalf of the West London Alliance, a partnership of seven West London Councils. This framework expired in July 2016 and whilst the contracts can continue beyond this date until they expire, they cannot be extended beyond this point and there would either have to be a direct award or re-procurement. The providers impacted by this decision are: Starbus, I.H.S, VIP Cars, Impact and Prestige.
- 3.2. The remaining contracts were procured through a Westminster framework and have the option to extend by up to two years. The providers procured through this framework are HATS, CT Plus, Westway and Radio.
- 3.3. There is therefore an absolute requirement for a new service to be in place as soon as is possible, which allowing for a full OJEU procurement exercise, will be Summer 2017, in time for a September 2017 start. Given this and the appetite of Members to enhance the quality of the service aligned to that delivered to Jack Tizard school, this presents an opportunity to enhance quality of the remaining LBHF transport through re-drafted specifications co-developed with service users, their carers and schools/day centres.

4. PROPOSAL AND ISSUES

Context

- 4.1. Due to the expiry of the frameworks as described above which were used to call off several of the shared transport contracts, there is a need for a new arrangement for transport services. Whilst the Westminster Framework enables extensions for a period of up to two years, this is on a shared services arrangement for the same, shared routes and providers.
- 4.2. Following a decision by members to re-procure routes for the Jack Tizard School in December 2015 on an enhanced specification, a new provider (CT

Plus) was awarded these routes. This provided an opportunity to test that the enhanced specification could provide the standard of service required by members.

- 4.3. The Jack Tizard contract which was awarded to CT Plus in April 2016 stipulated greater emphasis on the quality of service and on the individual needs of children using home/school transport. The vision was outlined to include the delivery of a high quality, transparent Travel Care and Support Service, which is first and foremost about caring for, and understanding the travel and mobility needs of vulnerable children. The service was co-designed and will be continually improved in partnership with service users and stakeholders.
- 4.4. Performance to date (from April 2016) is positive with all targets achieved (including the enhanced training requirements), no complaints and no defaults for poor performance issued by the TCST (Travel Care and Support Team). This demonstrates that a higher quality of service can be achieved through a more prescriptive specification with an emphasis on quality and outcomes for the children and young people and adults using the service. It is the Council's intention to replicate the better quality service across the Borough, to be achieved via a tender exercise, as described.
- 4.5. Following the success of the Jack Tizard service, a full re-procurement for transport services is recommended with a service start date of September 2017. In order to achieve business continuity from April 2017, an interim arrangement of contract extensions and direct awards is proposed and this is explained below.

Extension of service until September 2017

- 4.6. The current provision is purchased as part of a shared service arrangement with Kensington and Chelsea and with Westminster City Council. This arrangement provided a cost benefit through shared routes bundled together by end location. There are currently 6 shared minibus contracts and 4 shared taxi contracts.
- 4.7. The West London Alliance (WLA) framework was procured by the West London Alliance and as such was utilised by numerous boroughs within this arrangement.
- 4.8. The Westminster Framework was procured on behalf of the shared service arrangement.
- 4.9. The feedback from providers and stakeholders is that a preferred start date for any new service should coincide with the start of the new academic year. Therefore, it is proposed that these contracts be extended (either under a direct award or as permissible under the framework) to allow Hammersmith and Fulham to implement a new service model.

Service re-design and re-procurement

- 4.10. In addition to the framework and contract expiration, LBHF had an increase in the volume of complaints from 2014 which coincided with the implementation of a new service and new contracts which were shared service arrangements across the Local Authorities.
- 4.11. The success of the new service procured for the Jack Tizard school awarded to CT Plus, a community transport company has demonstrated that providers are able to deliver a quality service in line with LBHF's strategic ambition.
- 4.12. This has presented an opportunity to review the existing arrangements and to propose a re-procurement of transport aligned to LBHF's strategic objectives. This re-procurement will:
- Have a dedicated focus on LBHF residents.
 - Ensure an enhanced quality of service for services users, carers and parents.
 - Establish a strategic relationship between the council and providers.
 - Focus on contractors providing clear community benefits.

5. OPTIONS AND ANALYSIS OF OPTIONS

- 5.1. This paper explores four core options as listed below and outlines their viability for LBHF. A full Option Appraisal is captured in the exempt Appendix 1 of the Confidential report 'LBHF Procurement Strategy'. In summary:
- Option A: Extend existing shared service arrangements.
 - Option B: Re-procurement of contracts due to expire on WLA framework across all three local authorities – continuation of shared routes but increased quality for LBHF.
 - Option C: Re-procurement of contracts due to expire on WLA framework in addition to HATS provision at a sovereign level with sovereign routes.
 - Option D: In-source some sovereign provision to return in-house and operate a mixed model of delivery.
- 5.2. It is assessed that for both Children's and Adult's passenger transport services Option C is viable and recommended for LBHF. However, ASC are also in parallel exploring an alternative option of one service, to see if it can deliver greater flexibility (see 5.9).
- 5.3. Options A and B would not allow for increased quality of specification due to the relative contentment of RBKC and WCC with the current quality of service. The two options that rely upon a continuation of the shared service arrangement could not be changed without agreement from the other two local authorities and there is no appetite for the increased cost that will accompany an increase in quality. Therefore these options are not viable for LBHF.
- 5.4. Option D was explored by officers as a potentially viable option as the anticipated costs of procuring sovereign contracts to a high service standard

and specification are likely to be in the region of those for an in house service model. In this context, the key differentiator between the two options is the level of direct management control available within an in house model, and reduced dependency on third parties. Following feedback from the Passenger Transport Working Party and the Cabinet Member for Education and Children, it was assessed that whilst viable, this option is not recommended for progression. This is because of the increased cost to the council due to direct delivery and also the now proven ability of the market to deliver a high quality service aligned to the council's strategic ambition (Jack Tizard routes.)

5.5. Option C therefore is recommended for progression by officers. This option will provide sovereign contracts with autonomy over the procurement exercise and contract management arrangements, and enable local service standards consistent with the Travel Care Service offered to Jack Tizard to be established (though for ASC, such high level of service may not be required). In order to establish a new framework agreement, an Open Procedure is recommended. The award criteria and weightings will broadly reflect those used within the Jack Tizard re-procurement (although this will be further refined during the co-design process that is underway now). The award weightings are anticipated to therefore be (reflecting the importance of quality):

- 60% quality
- 40% cost

5.6 The anticipated evaluation criteria on which the tender responses will be evaluated will include the following themes, which will be further enhanced during the co-design process:

- Vision and Key Outcomes for the service
- Management and Staffing structure of the provider(s)
- Communication with service users and the Council
- Mobilisation and ongoing Operation of the service
- Recruitment, Training and Development of providers staff
- Vehicles
- Licences for delivering the services
- Customer Care and Engagement with service users and parents
- Complaints Management

5.7 Option C would deliver an increased level of control for LBHF through the disaggregation of routes however this would be accompanied by a greater level of change and an increased cost of provision for all Boroughs, not just LBHF. Despite this, this option is recommended by officers as it more closely aligns to the strategic aims of LBHF.

5.8 Though ASC intends to make direct awards and reprocure for the majority of current services as set out in this report, the framework will allow the addition of a Day service not currently supported through by the travel contract if it proves economically viable.

- 5.9 Additionally, ASC are exploring an alternative means of delivery for one specific service, as set out below.
- 5.10 Options is a day service for people with Learning Disability, and a business case for this service to secure their own minibus, and for day centre staff to be trained as drivers and escorts is being developed.
- 5.11 This could enable a greater level of flexibility, and support customer choice and control (personalisation) in a way that a contracted service may not, and could also support the expansion of the service into evenings and weekends.
- 5.12 However, further work is required to establish if this is a more cost effective option.
- 5.13 Within ASC this development would sit alongside a review of the eligibility process for travel assistance, and a move away from the current assumption that transport (minibus or taxi) will be provided by the Council and towards options which encourage independent travel such as Independent Travel Training and the use of mileage allowance where it is cost effective to do so.

6. CONSULTATION

- 6.1. Consultation with stakeholders began with the establishment of the Passenger Transport Working party, a stakeholder-led group with the remit to oversee the transport provision in LBHF alongside changes and improvements (for example the Jack Tizard school routes.) This group was established following an increase in the volume of complaints from parents and dissatisfaction from school head teachers and significant levels of dissatisfaction from ASC services and users. The feedback from this group favoured re-procurement over an insourced model as attendees felt that the re-procured Jack Tizard routes had demonstrated that an outsourced service could deliver the enhanced service requested by LBHF.
- 6.2. Additionally, a full consultation with stakeholders is underway to obtain feedback on the current service provision and to understand what improvements can be made. This has so far taken the form of a paper based survey which was sent out to all 233 parents with children that use the service, and had a high response rate. For ASC this is 290 adult users and their carers. Additionally, school based sessions to engage on a face to face basis with parents and carers were delivered in schools to obtain feedback from teachers and SENCOs. For ASC a comparable programme of consultation sessions with service users at the 3 day services receiving the transport service is has taken place
- 6.3. One of the key learning points which arose from the Jack Tizard procurement concerned stakeholder feedback regarding the service specification. Co-development was a key feature in the development of the Jack Tizard revised specification which ensured that parents and service users were able to actively shape the content of the specification.

- 6.4. During ‘phase 1 consultation’ a small cohort of parents and schools (ideally 6-10 representatives) have been recruited to attend 2 workshops with the purpose of reviewing the service specification, ensuring that relevant feedback obtained through phase 1 is outlined and developing the content of the service specification:

Workshop	Key purpose
Workshop 1: Review and refresh of requirements and existing specification	Review of design principles, required outcomes and existing Jack Tizard specification.
Workshop 2: Sign off service specification	Development of draft specification and key performance indicators.
Communications to all parents and schools about specification developments.	To inform parents, schools and carers about key developments in project and service specifications.

- 6.5. Finally, continued engagement with schools and parents is proposed with a regular newsletter to be circulated throughout the procurement. Following contract award, sessions to meet key staff (such as drivers and escorts) will take place with a specific letter to parents containing route information. This is planned to coincide with the end of the summer term 2017.
- 6.6. A similar programme of information and engagement is planned for ASC services and users with a separate newsletter and updates during procurement and mobilisation.

7. EQUALITY IMPLICATIONS

- 7.1. An Equalities Impact Assessment (EIA) has been drafted. It has been assessed that for the purpose of this EIA, it is important to note that:
- Eligibility criteria for the service would not change, therefore individuals currently receiving transport services would continue to do so.
 - Training would be provided to transport crews on the specific needs of service users and the appropriate support techniques.
- 7.2. The nature of the service means that this impact will mainly be experienced by both younger and older residents and on those residents with disabilities. The service has been designed to improve the accountability of the service and to increase service user, parental and organisational confidence in the transport being provided. It would also improve the Council’s ability to respond to service issues, including staff training and responsiveness, and to provide a high level of assurance to those who use the service, their parents and carers. On this basis, the proposal can be assessed as having a positive impact on recipients

8. LEGAL IMPLICATIONS

Full legal implications are set out in the separate, exempt report.

9. FINANCIAL IMPLICATIONS

9.1. Full details of the current and future financial implications are captured within the exempt Appendix 2 of the Confidential report and have been supplied by Finance colleagues. In summary the financial impact has been modelled to include:

- Impact of sovereign routes on the provision currently shared across the shared service arrangement but focussed on the WLA provision and the largest provider on the Westminster Framework.
- The additional quality LBHF require from the service. This has been modelled on the outcome of the Jack Tizard contract.
- Additional staffing costs required within the TCST to manage the increase in routes as a result of the establishment of sovereign routes within LBHF.
- Impact of London Living Wage on all provider employees.

9.2. A growth bid has been completed to mitigate the risk that has arisen following the projected impact of the re-procurement, covering both CHS and ASC. Full details of this bid are captured in the exempt Appendix 2 of the Confidential report.

9.3. Implications verified/completed by: Michael Hallick, Finance Business Partner.

10. IMPLICATIONS FOR BUSINESS/PROCUREMENT

10.1. Full details of the impact upon businesses in the borough are captured in the exempt Appendix 1 of the Confidential report and have been verified by Procurement colleagues.

10.2. Implications completed by: Kevin Churchill, LBHF Procurement and John Francis LBHF Procurement.

11. OTHER IMPLICATION PARAGRAPHS

11.1. There are no other implications identified.

12. BACKGROUND PAPERS USED IN PREPARING THIS REPORT

No.	Description of Background Papers	Name/Ext of holder of file/copy	Department/ Location
1	Cabinet Decision Monday 1 st June 2015, Item 4, Travel Care and Support Service Arrangements.	http://democracy.lbhf.gov.uk/ieListDocuments.aspx?CId=116&MId=4112&Ver=4	

LIST OF APPENDICES:

Appendix 1 – LBHF Procurement Strategy (contained in the exempt report).

Appendix 2 – Financial Information and analysis (contained in the exempt report).

Appendix 3 – Equalities Impact Assessment.