

CABINET MEMBER DELEGATED DECISION REPORT 16 NOVEMBER 2020

Report title: Passenger Transport Services for Adult Social Care (ASC), Children’s Social Care (CSC) and Special Educational Needs and Disabilities (SEND) Taxi Waiver

Wards: All

Portfolio: Cabinet Member for Children and Young People, Councillor Edward Davie; Cabinet Member for Health and Social Care (Job Share): Councillor Jim Dickson and Danny Adilypour

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Report summary

This report seeks approval for a waiver to the Contract Standing Orders, to award nine taxi transport providers individual contracts to provide Passenger Transport Services to Lambeth Service Users across Adult Social Care, Children’s Social Care, SEND and Registrars for a period of eight-months. The existing framework is due to expire on 30 November 2020.

The waiver and direct award of contracts is required because there is insufficient time for a new framework to be procured and tendered contracts in place by 1 December 2020, following unavoidable delays resulting from the Covid-19 period. Planning for a full competitive procurement process is currently underway, with a new approved provider framework scheduled to go out to tender in late November 2020. The direct award of contracts from 1 December 2020 – 31 July 2021 will allow the required time for the full tender of a new approved provider framework to be in place by Summer 2021.

Finance summary

The revenue budget for this expenditure is spread across all service groups for Passenger Transport Services: Adult Social Care, Registrars, Children’s Social Care and SEND Transport. The total combined cost is £3,506,697 for eight months from 1 December 2020 – 31 July 2021.

Recommendations

To waive section 8.2 of the Contract Standing Orders and award direct contracts for Passenger Transport Taxi services from 01 December 2020 – 31 July 2021 to the following nine providers for the sum of £3,506,697.00:

Table 1 – Preferred Providers

I. Abacus Mobility Ltd	II. London Hire Community Services Ltd
III. Kelly Executive Cars	IV. Wallington Cars and Couriers Ltd
V. Access Mobility Transport	VI. Hats (Healthcare and Transport Service)
VII. Sherwood Cars Ltd	VIII. The Keen Group (TKG)
IX. Kendall Cars	

1. CONTEXT

1.1 The current taxi framework for passenger transport services began on 01 December 2016 with seventeen providers. The services are provided for several of the Council's departments. These include:

- Children with Special Educational Needs and Disabilities (SEND) department, who use the service to get children from home to school and back again.
- Children's Social Care department, which include taxi journeys needed by looked after children to get children to care placements or appointments.
- Adults Learning Disabilities department, which uses the service for taking young adults with learning disabilities clients to colleges.
- Registrar's Office, which uses the service for transportation of registrars to conduct marriages at agreed venues.

Only twelve of the seventeen approved framework providers remain in operation. For various reasons, many of the original providers no longer actively bid for work and two providers amalgamated into one (SNA transport and Sherwood Cars). Consequently, we receive services from nine providers at present with only four providing significant volumes of transport.

1.2 The purpose of this report relates to the Borough Plan as these providers provide and promote care and independence to older and vulnerable people as well as SEND and children at risk. Providers ensure that children with special educational needs and disabilities are supported towards independence, able to live fulfilling lives; and deliver transport services to service users enabling equality of access to opportunities, therefore reducing inequality and improving opportunities. Passenger Transport providers also support disabled, vulnerable and older people to be active, engaged and maintain their independence.

1.3 The Council has a duty under the Education Act 1996 Chronically Sick and Disabled Persons Act 1970 (in respect of children) and the Care Act 2014 (in respect of adults) to provide transport to those assessed in need. Provision may be made by taxi, among other means.

1.4 Local authorities' statutory duties underpinned by the Home to school travel and transport guidance. This guidance advises that to comply with their home to school transport duties local authorities must:

- Promote the use of sustainable travel and transport
- Make transport arrangements for all eligible children
- Make transport arrangements for all children who cannot reasonably be expected to walk to school because of their mobility problems or because of associated health and safety issues related to their special educational needs (SEN) or disability.

2. PROPOSAL AND REASONS

2.1 It is proposed that direct contracts be awarded to Abacus Mobility Ltd, London Hire Community Services, Kelly Executive, Wallington Cars, Sherwood Cars, Access Mobility, Hats, the Keen Group, and Kendall Cars for eight months from 01 December 2020 – 31 July 2021 for Passenger Transport Services while a new framework is re-procured allowing continuity of services while we go out to tender.

2.2 The providers were selected as they were the nine active providers who remained on the framework.

2.3 This is the preferred option, selected based on an options appraisal:

Option 1: Direct Award of Contracts to Preferred Providers

This is the recommended option, which is advised for the following reasons:

- A full competitive procurement process is ultimately required to ensure best value for money and an effective commissioning model. As there is not enough time to complete this process before the current framework expires, direct award of contracts will allow enough time to plan and deliver an effective tender, including market engagement.
- The Covid-19 period is financially challenging for providers and direct award of contracts will support provider sustainability.
- Lambeth has strong working relationships with the preferred providers, who have a strong track record of delivering transport services for Lambeth residents.
- This option helps to mitigate the risks of Option 2 (Extend the Current Framework) by putting in place 8-month contracts with active providers and ensuring that the contracts are fully up to date, before a full retender a new service contracts are in place.

Other Options Considered

Option 2: Extend the Current Framework

Consideration was given to extend the current framework by a further 12 months, but this option was rejected due to only nine providers remaining who are active on the framework.

Transport provision is driven by the ever-changing needs and schedules of individual service users. This process is labour intensive and costly for both the service area and providers.

This creates cost and capacity pressures further increasing risk. Extending the framework would allow time to explore options and implement a solution that meets the needs of all services, however, risks associated with an extension include:

- SEND is the service area which accounts for most of the transport spend and faces budget pressure to make savings in this area. It is unlikely that SEND will be able to make the necessary savings using the current framework, given the inability to open the framework to new providers.
- It is possible that one or more of the remaining providers could fail and cease to accept work during the period for which the framework is extended. This will have a serious impact on Lambeth's ability to commission transport that met the needs of all services and offered value for money.

The current framework does not have any facility to be further extended. However new contracts can be issued to the current providers by waiving the Council's Contract Standing Orders and issuing direct awards. This will ensure continuity of service whilst a new taxi service is re-procured. If new providers are required because of provider failure or capacity issues during the direct award period, services could be commissioned through the 'three quotes' process. It was therefore agreed that nine direct awards be issued for only eight months, up until 31 July 2021, with a new framework starting 01 August 2021 in anticipation of the new school / college academic year.

Option 3: Allow the Current Framework to Expire

An alternative option is to allow the existing taxi framework to expire 30 November 2020, which would require the council to rely on spot purchasing of services. This option was considered and rejected for the following reasons:

- Risk of lack of contractual assurance for the local authority and provider alike – no defined quality standards, monitoring arrangements, mutual obligations.
- Spot purchasing allows for poor financial controls and no fixed pricing, which is likely to result in price increases and rising spend.
- Risk for provider sustainability and financial resilience – the Covid-19 period has presented considerable challenges for transport providers and contractual agreements are needed to support business continuity planning.

2.4 Key procurement decisions, the procurement route and evaluation methodology are not applicable as this is not a tender exercise.

2.5 All providers will need to be licensed with TfL to provide taxi and private hire services. This provides additional protection to our users, and reduces the work required by the council to monitor this aspect of the service. Due diligence checks have been undertaken and proposed providers are all licenced with TfL.

The contract will be managed by each service area and each service area will monitor their own provision.

3. FINANCE

3.1 Revenue budgets are held within both Adults & Children's Services for transportation of vulnerable adults & children with statutory assessments.

- The transport budget of £344,000 for Adults Social Care is held within Integrated Disabilities
- Children's Social Care's budget of £131,810
- The SEND Transport budget of £3,028,887
- Registrars, Resident Experience and Digital will be the cost centre allocated for the Registrars transport services with a budget of £2,000

3.2 The combined total of £3,506,697 has been divided among providers based on previous years spend as below:

Table 2 – Provider Allocation

Provider:	Amount:
I. Abacus Mobility Ltd	£886,312.16
II. London Hire Community Services Ltd	£908,889.69
III. Kelly Executive Cars	£572,447.06
IV. Wallington Cars and Couriers Ltd	£11,600.84
V. Access Mobility Transport	£310,416.66
VI. HATS (Healthcare and Transport Service)	£554,728.94
VII. Sherwood Cars Ltd	£141,914.80
VIII. The Keen Group (TKG)	£95,145.01
IX. Kendall Cars	£25,241.86

3.3 Dun & Bradstreet financial checks for the preferred providers were undertaken.

4. LEGAL AND DEMOCRACY

4.1 The authority to approve the recommendation in this report is delegated to the Cabinet Member for Children and Young People and the Cabinet Member for Health and Social Care.

4.2 The council has statutory duties to provide transport to those assessed as in need under the criteria contained in the relevant statute, and such provision may be made by taxi, among other means.

4.3 The services which are the subject of the proposed contract awards are deemed 'light touch' Schedule 3 services under the Public Contracts Regulations and as such a contract notice ought to be published in the Official Journal unless a recognised exemption applies.

4.4 Regulation 32 permits the award of public contracts by a negotiated procedure without prior publication insofar as is strictly necessary where, for reasons of extreme urgency brought about by events unforeseeable by the contracting authority, the time limits for the open or restricted procedures or competitive procedures with negotiation cannot be complied with. The circumstances invoked to justify extreme urgency must not in any event be attributable to the contracting authority. In considering whether this ground applies the decision makers will have regard to the matters outlined in section 2 of this report.

4.5 The Cabinet Members may approve a waiver of the council's contract standing orders' competition requirement if they are satisfied that this is demonstrably in the council's best interests.

4.6 The proposed key decision was entered in the Forward Plan on 05 October 2020 and the necessary 28 clear days' notice has been given. In addition, the Council's Constitution requires the report to be published on the website for five clear days before the proposed decision is approved by the Cabinet Member. Any representations received during this period must be considered by the decision-maker before the decision is taken. A further period of five clear days – the call-in period – must then elapse before the decision is enacted. If the decision is called-in during this period, it cannot be enacted until the call-in has been considered and resolved.

5. CONSULTATION AND CO-PRODUCTION

5.1 Following on initial consultations between Head of SEND Transport, Adult Commissioning, Children's Commissioning, Finance and the Cabinet Member for Children and Adult Services, a Transport Project Group was established across directorates, made up of the Head of SEND Transport, Children's and Adults Commissioning, Children's Safeguarding, the SEN Lead and Finance Group Managers from all relevant areas.

5.2 Internal stakeholders were consulted on the plans to award direct contracts for an interim period while a full tender took place. A Customer Satisfaction Survey and a series of telephone interviews and surveys were carried out with users, parents and schools on the current passenger transport service was also completed.

5.3 The Customer Satisfaction Survey conducted by The Head of SEND Transport via Survey Monkey had a total of 32 responses.

5.4 Customers were asked about the timeliness of their taxi providers and 62% of customers said their taxi was always on time, with 34% stating their taxis were usually on time. Overall satisfaction of the taxi services scored a rating of 4.3 stars out of 5. Customers were 94% satisfied with the services they received from taxi providers with 66% Very satisfied and 28% Satisfied. Further consultation is planned for Parent and Carer Participation for the full tender.

6. RISK MANAGEMENT

6.1 The main risks that impede on the successful delivery of this procurement and contract are:

Table 3 – Risk Register

Item	Risk		Likelihood	Impact	Score	Control Measures
1	Awarding under waiver	Low	2	2	4	Awarding to active participants who have already met tender criteria. The remaining framework providers not bidding for work
2	Financial viability	Low	2	8	16	Dunn & Bradstreet Credit checks completed. Motor vehicle Insurance, Public Liability, Employer's Liability and PCO license documents received
3	Equalities Impact	Low	1	1	1	No adverse impact to equalities identified in EIA
4	Providers not being able to complete contractual obligations	Low	1	4	4	Providers are currently providing a service even within the covid-19 pandemic. Providers can meet the requirements of the contract in terms of their technical and financial capacity.
5	Low levels of referrals received by provider	Low	1	2	2	Demand for this service is dependent on matching the need of the service user. These providers already provide this service and are able to meet the changing levels of demand.
6	Safeguarding issues, risk of abuse by the provider or their members of staff	Low	1	8	8	DBS completion is a prerequisite for approved Transport for London registration. Service providers will be required to evidence compliance for escorts and drivers under these rules. Contract monitoring will be in place. Providers must undertake safeguarding training as part of the contract.
7	Covid-19 Pandemic	Medium	2	2	4	Providers can meet the requirements of the contract in terms of their technical and financial capacity. Providers are currently providing a service even within the covid-19 pandemic with no additional costs to date. This however could change if guidance

						dictates a requirement to create 'bubbles' or implement social distancing measures as mandatory
8	Impact of Brexit	Low	3	1	3	Brexit is likely to have a low level of impact on the passenger transport services as the main impact is likely to be around vehicle costs and the cost of fuel which is unknown until Brexit is fully completed.
9	Business Continuity	Medium	2	3	6	The risk to business continuity is low as several providers are being procured to provide transport services for various routes with flexibility to take on additional routes as required
10	GDPR	Medium	2	4	8	There will be some exchange of personal details however Providers are expected to have GDPR training and adhere to GDPR regulations to protect personal data and mitigate the risk of personal data being misused

Key

Likelihood	Very Likely	4	Likely	3	Unlikely	2	Very Unlikely	1
Impact	Major	8	Serious	4	Significant	2	Minor	1

7. EQUALITIES IMPACT ASSESSMENT

7.1 The recommendation for the direct award of contracts is expected to have a low impact on equalities, which will be positive. This is for the following reasons:

- This service provision promotes positive outcomes for disabled people - one of the protected characteristics in the Equality Act 2010 – by enabling continuous transport provision for people with special educational needs and disabilities (SEND) with an assessed need for the service.
- Transport services support disabled people to access opportunities and exercise independence using both specialist and universal transport.
- Providers are required to meet Lambeth Council's commitment of paying the London Living Wage, which actively advances equality and promotes fair working practices for workers.

7.2 This recommendation does not incur a major change to service provision and does not seek to deliver any reduction in service. It is not expected that this decision would result in negative equalities impacts.

7.3 A full Equalities Impact Assessment (EIA) will be conducted alongside the development of the business case for the full retender of transport services (for contracts to start 1 August 2021). This will ensure that the tender is supported by a robust analysis of local population needs and gives full consideration of likely impacts on different groups. The full EIA will help to ensure the tender is effectively designed to promote positive equalities impacts and mitigate the risk of adverse effects on groups.

8. COMMUNITY SAFETY

- 8.1 The taxi service is for Lambeth service users who are vulnerable, and it is deemed not safe for them to travel independently on public transport

9. ORGANISATIONAL IMPLICATIONS

Environmental

- 9.1 A sustainability assessment has been completed and cleared by the Sustainability Team with no need for further mitigation.

The contract specification indicates that environmental awareness and impact will be monitored as part of the contract with KPIs around Idling Training and implementation. Lambeth Sustainability Team will offer free training and support to taxi providers as part of the Anti-idling Action London Scheme.

Health

- 9.2 There are not considered to be any impacts on health because of this contract.

Corporate Parenting

- 9.3 Some of the passengers are or have previously been Looked After Children (LAC). We will consult with the LAC Team to ensure their needs are met as part of this process.

Staffing and accommodation

- 9.4 There will be no impacts on staffing and accommodation because of these contracts.

Responsible Procurement

- 9.5 Lambeth's Responsible Procurement Policy was shared with Taxi Providers and a survey asking selected transport providers to demonstrate their plans or actions towards supporting our responsible procurement policy was completed.

Good Quality Jobs with Fair Pay and Decent Working Conditions

- 9.6 All providers currently pay London Living Wage as stated in section 9.1 of the original 2015 contract. Preferred providers reconfirmed this in the survey. Providers also confirmed they give staff freedom to join trade unions; provide decent working conditions; have a whistleblowing policy; have a modern slavery policy.

- 9.7 *Quality Apprenticeships, targeted Employment for Lambeth residents and Lambeth Priority Group*

- Sherwood Cars Ltd, Kelly Executive Cars and London Hire Community Services Ltd provide apprenticeships.
- Access Mobility Transport Ltd, Abacus Mobility Ltd, Sherwood Cars Ltd all give staff freedom to join trade unions; provide decent working conditions; have a whistleblowing policy; have a modern slavery policy.
- London Hire Community Services Ltd and Kelly Executive Cars provide or intend to provide targeted employment for Lambeth residents and priority groups.
- Wallington Cars & Couriers Ltd, London Hire Community Services Ltd. Kelly Executive Cars and Abacus Mobility Transport intend to provide a commitment to advertise any of their vacancies on Lambeth websites before they are advertised elsewhere.

- 9.8 *Reduce Emissions: Lambeth Council has a commitment to being Zero Carbon by 2030*

- All providers declared their commitment to reduce Carbon Dioxide (CO₂) and Nitrogen Dioxide (NO₂) emissions generated by their taxis.

- Sherwood cars are replacing vehicles over 10 years with Hybrids or electric vehicles and any new purchases are either hybrid or electric powered.
- London Hire Community Services Ltd confirmed 12% of their taxis operating Lambeth routes are fully electric with a further 18% using Hybrid. They actively prioritise recruitment of drivers with zero emissions vehicles.
- Wallington Cars & Couriers Ltd use hybrid vehicles where possible and are always looking at electric alternatives once they have enough mileage capacity.
- Access Mobility Transport Ltd acknowledged they need to evaluate the suitability of their current vehicles with regards to achieving mandatory vehicle emission standards.
- Abacus Mobility Ltd are committed to Anti-Idling and have trained their drivers in anti-idling actions. They are also phasing out diesel vehicles from their fleet, and by 2025 aim to be fully electric.
- All providers have trained their drivers in anti-idling except for Sherwood Cars who have accepted the offer of anti-idling training and resources from Lambeth's Sustainability Team.

Single Use Plastics

9.9 N/A

Positive Health and Wellbeing

9.10 N/A

10. TIMETABLE FOR IMPLEMENTATION

10.1 The table below details the stages and deadlines for implementing the recommendations:

Activity	Proposed Date
Date published on Forward Plan	05.10.20
Submission to Procurement/Category Board Administrator	29.09.20
Procurement/Category Board Date	06.10.20
Publication on Decisions online	06.11.20
Officer or Cabinet Member Decision	16.11.20
Execution of Contract	24.11.20
Mobilisation Period for Contract	End of November
Commencement of Contract	01.12.20

AUDIT TRAIL				
Name and Position/Title	Lambeth Directorate	Date Sent	Date Received	Comments in paragraph:
Councillor Jack Hopkins	Leader of the Council	16.10.20	05.11.20	
Councillor Jim Dickson	Cabinet Member for the Health & Social Care (job-share)	17.09.20	17.09.20	
Councillor Danny Adilypour	Cabinet Member for the Health & Social Care (job-share)	17.09.20	17.09.20	
Councillor Edward Davie	Cabinet Member for Children and Young People	12.10.20	16.10.20	
Merlin Joseph, Strategic Director	Children's Services	15.09.20	15.09.20	
Andrew Eyres, Strategic Director	Adults & Health	17.09.20	17.09.20	
Fiona Connelly	Adults & Health	17.09.20	17.09.20	
Peter Hesketh, Finance	Finance and Property	03.09.20	16.09.20	
Rachel Harrison, Finance	Finance and Property	01.09.20	02.09.20	
David Thomas, Legal Services	Legal and Governance	17.08.20	02.09.20	4
Jacqueline Pennycook, Democratic Services	Legal and Governance	01.09.20	08.09.20	4.2
Leena Khatri, Sustainability Technical Officer	Sustainable Growth and Opportunity	17.08.20	24.08.20	

REPORT HISTORY	
Original discussion with Cabinet Member	16.10.20
Report deadline	N/A
Date final report sent	N/A
Part II Exempt from Disclosure/confidential accompanying report?	No
Key decision report	Yes
Date first appeared on forward plan	05.10.20
Key decision reasons	2. Expenditure, income or savings in excess of £500,000.
Background information	Chronically Sick and Disabled Persons Act 1970 Care Act 2014 Home to school travel and transport guidance. Passengers Transport Services (Taxis) Framework tender Tendering Road Passenger Transport Contracts: Best Practice Guidance
Appendices	None

APPROVAL BY CABINET MEMBER IN ACCORDANCE WITH SCHEME OF DELEGATION

I confirm I have consulted Finance, Legal, Democratic Services and the Procurement Board, and taken account of their advice and comments in completing the report for approval:

Signature: _____ **Date:** ____

Post:

Asha Winifred

Commissioning Officer, Integrated Commissioning, Children's Services

I confirm I have consulted the relevant Cabinet Members, including the Leader of the Council (if required), and approve the above recommendations:

Signature: _____ **Date:** _____

Post:

Councillor Ed Davie

Cabinet Member for Children & Young People

Any declarations of interest (or exemptions granted): N/A

Any conflicts of interest: N/A

Any dispensations: N/A.