

Report of the Cabinet Member for Education

Cabinet - 15 December 2016

**CONTRACT AWARD REPORT
TENDER FOR THE PROVISION OF
HOME TO SCHOOL TRANSPORT SERVICES**

Tender Reference Number: CCS/16/027 (SH 17-22)

Purpose:	This report details the outcome of recent tenders for Home to School Transport services for mainstream pupils and seeks approval to award contracts.
Policy Framework:	Policy on the Provision of Home to School Transport; Contract Procedure Rules.
Reason for Decision:	To comply with Contract Procedure Rules and to allow contracts to be arranged with contractors, and for schools and parents to be notified.
Consultation:	Legal, Commercial Services, Finance and Access to Services.
Recommendation(s):	It is recommended that: (i) the tender prices recommended by the Tender Evaluation Panel and set out in Schedule B be accepted as representing the Most Economically Advantageous Tenders. (ii) contracts be awarded to the companies as set out in Schedule B.
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Finance Officer:	Ben Smith
Legal Officer:	Debbie Smith
Access to Services Officer:	Phil Couch

1.0 Introduction

- 1.1 Thirty one Home to School Transport contracts for mainstream pupils at various primary and secondary schools expire at the half term holiday in February 2017. Tenders have therefore been invited for replacement contracts requiring vehicles of various seating capacities. These contracts are for the term of 27th February 2017 to February 2021, with an option to extend for up to an additional 12 months.
- 1.2 The replacement contracts include an additional four combination options. A summary of the replacement contracts is detailed in Schedule A.
- 1.3 The estimated value of the new contracts over their maximum term of 60 months is approximately £4,278,650. The Cabinet Member has requested that Cabinet approval be sought to award these contracts.

2.0 Procurement Process

- 2.1 The estimated value of the new contracts over their term exceeds the European Union threshold under the Public Contract Regulations 2015. The contracts were advertised in the Official Journal of the European Union (OJEU) via Sell2Wales.
- 2.2 The 'open' procedure was selected.
- 2.3 The Invitation to Tender (ITT) was issued on 9th August 2016 to Public Service Vehicle (PSV) Operators via the eTenderWales Portal.

3.0 Tenders Received

- 3.1 Nineteen companies submitted tenders by the return date of 9th September 2016.
- 3.2 The tenders were opened by Commercial Services in accordance with Contract Procedure Rules.

4.0 Evaluation

- 4.1 Tenders were evaluated by two Officers of the Council's Transportation Group with support from an Officer of the Commercial Services Team.
- 4.2 Tenderers 7, 15 and 18 submitted incomplete tenders and were therefore rejected.
- 4.3 The evaluation was undertaken in accordance with the criteria set out in the Invitation to Tender documents as a two stage process.

4.4 At stage one of the process, the Council undertook a Quality evaluation to ensure tenderers were able to demonstrate a minimum understanding of key operational requirements. The Quality evaluation was based on the assessment of six Method Statement questions, as follows:

- Staff Training and Competence
- Supervision of Staff
- Staff Resources
- Vehicle Resources
- Emergency Operating Procedures
- Inclement Weather Operating Procedures

4.5 Tenderers were required to achieve a minimum score of 18 from the maximum 30 marks available for the six Method Statement questions in order to proceed to the Price evaluation. Tenderers failing to achieve a score of at least 18 would be rejected without further evaluation.

4.6 At stage two of the process, tenderers who achieved the required marks in the Quality evaluation proceeded to the Price evaluation.

4.7 The Council ranked tenderers for each Lot on the basis of the Price evaluation only (i.e. to the Tenderers attaining the highest score for the Price for each Lot / Lot Combination).

4.8 For each Lot / Lot Combination, the lowest tender price received was allocated the maximum score of 100 and the remaining tender prices were scored downwards according to their relationship with the lowest price.

4.9 Contracts are to be awarded subject to the tenderers' availability of appropriate PSV Operator Licence discs (such a disc has to be displayed on each vehicle operating a contract).

4.10 In terms of the prices tendered:

Tenderer 1 submitted the lowest prices for Lots 5 and 6 individually and also tendered a slightly lower combination price for both Lots as a Lot Combination. Tenderer 1 is therefore the recommended tenderer for both Lots on the basis of the combination price.

Tenderer 3 has resources to undertake four contracts but was the highest scoring tenderer for five Lots. As a result, the differentials between the tender prices submitted by Tenderer 3 and the next lowest tender prices were analysed to determine which provided the best value for the Council. As a consequence, Tenderer 3 is the recommended tenderer for Lots 2, 11, 12 and 18. Tenderer 16 tendered a slightly higher price than Tenderer 3 for Lot 16. However, on the basis of comparing the price differentials, Tenderer 16 is the recommended tenderer for Lot 16.

Tenderers 5 and 14 tendered the same price for Lot 28. Tenderer 5 attained a higher Quality Score and is therefore the recommended tenderer for this Lot.

Tenderers 13 and 14 tendered the same price for Lot 13. Tenderer 13 attained a higher Quality Score and is therefore the recommended tenderer for this Lot.

Tenderer 13 tendered the lowest prices for Lots 24 and 25 individually and also tendered a slightly lower combination price for the Lots. Tenderer 13 is therefore the recommended tenderer for both Lots on the basis of the combination price.

The combination prices tendered by Tenderers 4, 6, 8, 9, 13, 14 and 17 for Lots 1, 2 and 3 were more expensive than the individual prices tendered by Tenderer 3 for Lot 2, by Tenderer 8 for Lot 1 and by Tenderer 13 for Lot 3. Tenderers 3, 8 and 13 are therefore the recommended tenderers for these Lots.

The combination prices tendered by Tenderers 4, 5, 6, 9, 13, 14, 16 and 17 for Lots 30 and 31 were more expensive than the individual prices tendered by Tenderer 6 for Lot 30 and by Tenderer 16 for Lot 31. Tenderers 6 and 16 are therefore the recommended tenderers for these Lots.

4.11 In terms of tenderers' available resources, clarification was sought from Tenderers 2 and 13 with regard to the number of available PSV Operator Licence discs. The maximum number of contracts for which these are the recommended tenderers therefore takes this into account.

4.12 The contracts recommended for award are detailed in Schedule B.

5.0 Outcome of Evaluation

5.1 Thirty of the thirty one contracts are to be awarded as follows:

- 26 as individual Lots
- 4 as two combinations of two Lots

The thirty first contract (Lot 23 - Contract 701) is not being let. This is because the number of children on the contract has reduced from the start of the 2016/2017 Academic Year and it has been possible to accommodate them on another contract from 1st January 2017. This arrangement will continue on a permanent basis.

6.0 Equality and Engagement Implications

6.1 An Equality Impact Assessment Screening Form was completed for the re-tendering exercise, with the agreed outcome that a full Equality Impact Assessment report is not required. This is because 30 of the 31 current contracts are to be re-let, and the children on the contract not being awarded are to be accommodated on an existing service. In addition, all of the pupils who use the existing services will continue to be able to do so.

7.0 Financial Implications

7.1 The total of the tender prices recommended for acceptance is £4,386.50 per day / £833,435.00 per annum (based upon 190 Schooldays). The estimated value of the contracts over their full term, including use of the 12 month maximum extension, would be £4,278,650.21, which makes provision for indexation of contract prices at an estimated 2% per annum from September 2018. This compares to current prices of £4,935.00 per day / £941,070.00 per annum (based upon 190 Schooldays). The potential savings are therefore approximately £107,635.00 per annum and approximately £549,045.00 over the maximum five year term provided all the recommended tenderers accept the contracts..

8.0 Procurement and Legal Implications

8.1 The Responsible Officer is satisfied that the tender process has been undertaken in compliance with the Public Contracts Regulations 2015 and the Council's Contract Procedure Rules, and recommends approval in accordance with those Rules.

8.2 The contracts are to be prepared by the Head of Legal and Democratic Services. All contractual liabilities / obligations will be covered by the contract documentation.

Background Papers:

None.

Appendices:

Schedule A – Details of Individual and Combination Contracts

Schedule B – Individual and Combination

Contracts Recommended for Award

Tender for the Provision of Home to School Transport Services

Schedule A – Page 1

Details of Individual Contracts

Lot No(s)	Contract No(s)	School(s) Served	Vehicle Specification(s)
1	303	Gowerton	49 seats
2	305	Gowerton	49 seats
3	308	Gowerton	49 seats
4	329	Pontarddulais Comp	49 seats
5	330A	Pontarddulais Comp	49 seats
6	330B	Pontarddulais Comp	70 seats
7	332A	Pontarddulais Comp	70 seats
8	344	Ysgol Gynradd Gymraeg Pontybrenin	15 seats + PA
9	350	Ysgol Gyfun Gwyr	70 seats
10	356	Ysgol Gyfun Gwyr	70 seats
11	358	Ysgol Gyfun Gwyr	70 seats
12	359	Ysgol Gyfun Gwyr	70 seats
13	362	Ysgol Gyfun Gwyr	70 seats
14	363	Ysgol Gyfun Gwyr	70 seats
15	369	Ysgol Gyfun Gwyr	15 seats + PA
16	604	Bishop Vaughan R C Comp	49 seats
17	610	Bishop Vaughan R C Comp	33 seats
18	612	Bishop Vaughan R C Comp	49 seats
19	670	St David's R C Primary	15 seats + PA
20	671	St David's R C Primary	15 seats + PA
21	681	Ysgol Gynradd Gymraeg Llwynderw	15 seats + PA
22	695	St Joseph's Cathedral Primary	49 seats
23	701	Cila Primary and Olchfa	15 seats + PA
24	722	Bishopston Comp	49 seats
25	723	Bishopston Comp	49 seats
26	751	Knelston Primary	53 seats
27	815	St Illtyd's R C Primary	15 seats + PA
28	816	St Illtyd's R C Primary	28 seats + PA
29	831	Cefn Hengoed Community	49 seats
30	832A	Cefn Hengoed Community	70 seats
31	832B	Cefn Hengoed Community	53 seats

PA – Passenger Assistant

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Schedule A – Page 2

Combination Contracts

Lot No(s).	Contract No(s)	School(s) Served	Vehicle Specification(s)
1, 2 & 3	303, 305 & 308	Gowerton	3 x 49 seats
5 & 6	330A & 330B	Ysgol Gyfun Gwyr	1 x 49 seats and 1 x 70 seats
24 & 25	722 & 723	Bishopston Comp	2 x 49 seats
30 & 31	832A & 832B	Cefn Hengoed Community	1 x 53 seats and 1 x 70 seats

Tender for the Provision of Home to School Transport Services

Schedule B

Individual Contracts Recommended for Award

Lot No(s)	Contract No(s)	School(s) Served	Successful Tenderer(s)	Daily Rate (£)
1	303	Gowerton	8	185.00
2	305	Gowerton	3	169.00
3	308	Gowerton	13	159.00
4	329	Pontarddulais Comp	1	148.00
7	332A	Pontarddulais Comp	1	148.00
8	344	Ysgol Gynradd Gymraeg Pontybrenin	2	92.00
9	350	Ysgol Gyfun Gwyr	13	169.00
10	356	Ysgol Gyfun Gwyr	13	169.00
11	358	Ysgol Gyfun Gwyr	3	156.00
12	359	Ysgol Gyfun Gwyr	3	168.00
13	362	Ysgol Gyfun Gwyr	13	165.00
14	363	Ysgol Gyfun Gwyr	13	169.00
15	369	Ysgol Gyfun Gwyr	2	92.00
16	604	Bishop Vaughan R C Comp	16	149.00
17	610	Bishop Vaughan R C Comp	14	145.00
18	612	Bishop Vaughan R C Comp	3	147.00
19	670	St David's R C Primary	2	92.50
20	671	St David's R C Primary	2	92.00
21	681	Ysgol Gynradd Gymraeg Llwynderw	2	97.50
22	695	St Joseph's Cathedral Primary	13	160.00
26	751	Knelston Primary	13	195.00
27	815	St Illtyd's R C Primary	19	85.00
28	816	St Illtyd's R C Primary	5	145.00
29	831	Cefn Hengoed Community	16	145.00
30	832A	Cefn Hengoed Community	6	157.50
31	832B	Cefn Hengoed Community	16	145.00

Tender for the Provision of Home to School Transport Services

Schedule B

Combination Contracts Recommended for Award

Lot No(s)	Contract No(s)	School(s) Served	Successful Tenderer(s)	Daily Rate (£)
5 & 6	330A & 330B	Pontarddulais Comp	1	297.00
24 & 25	722 & 723	Bishopston Comp	13	345.00

NB Lot 23 (Contract 701) is not being recommended for award, for the reason stated in Paragraph 5.1