

# **NEATH PORT TALBOT COUNTY BOROUGH COUNCIL**

## **Environment and Highways Cabinet Board**

28 January 2016

### **Report of the Head of Engineering & Transport**

D. W. Griffiths

#### **Matter for Information**

**Wards Affected:** All

#### **Transport Tenders**

#### **Purpose of Report**

- 1 To inform members of the forthcoming retendering of transport contracts for Subsidised Public Transport, Home to School (mainstream), Special Educational Needs (SEN), Social Services (child and adult) taxi provision.

#### **Executive Summary**

- 2 In 2011 all council procured transport services were retendered, this included Public Bus Services, Home to School Transport (mainstream education and SEN), along with Adult Care and Child Care Social Services Transport.
- 3 Contracts were let for a period of five years with the option to extend for a further year if required; the contracts tendered in 2011 are due to expire in July 2016.
- 4 It is therefore proposed that contracts are retendered over a two year period on the following basis:-  
  
100% local bus 2016  
100% Social Services 2016  
50% Education 2016 with the Council exercising its option to extend the remaining 50% for one year with the retender of these in 2017.
- 5 Subsidised Local Bus will be offered on a closed tender process because of the number of routes and the lack of public bus

operators in our locality. ELL and SSHH contracts will utilise the reverse auction process to increase competition from suppliers.

## **Background**

- 6 In 2010 EDGE Consultants were employed by the Council to review and identify a way of delivering savings on the Council's transport budgets.
- 7 The recommendation was to retender all contracted routes using the Welsh Government web portal (e-tenderwales) managed by Bravo Solution, and to utilise the reverse auction tender tool available on e-tenderwales to achieve savings. Utilising the reverse auction tool does incur a cost and this needs to be balanced against the potential savings.
- 8 In 2011 all council procured transport services were retendered, this included Public Bus Services, Home to School Transport (mainstream education and SEN), along with Adult Care and Child Care Social Services Transport. Tenders were assessed on 100% lowest price following a qualification exercise to determine the suitability of the tenderers in relation to their financial standing, capability and capacity to provide the services, equal opportunities and health and safety.
- 9 Undertaking the reverse auction process did deliver significant savings. However, it should be noted that prior to 2011 contracted routes had not been retendered for a considerable time (approx. 8 years).
- 10 Contracts that were awarded following the tender exercise in 2011 and as a result of subsequent procurement exercises (tenders and quotations) were for a five year term to expire in July 2016 with an option to extend for a further year.
- 11 With the reduction in transport staff, the absence of assistance from external consultants and given the nature of certain contracted services, it is proposed that:

*50% of the routes are retendered in 2016 and the option to extend the contract period for a further year be exercised in relation to the remaining 50% of the routes and that those be retendered in 2017.*

The number of routes it is proposed to retender in 2016 is approximately 200\*, broken down as follows:-

- Mainstream Education: 68
- SEN: 86
- Adult Social Care: 16
- Child Care: 17
- Public Transport: 11

*\*This figure is based on current numbers ie prior to any route rationalisation and prior to the Education and Social Services Directorates providing specific requirements to the Passenger Transport Unit, so the figure may go up or it may go down.*

- 12 With regard to Public Transport, the Council administer subsidise 11 routes with a value of £312k per annum funded by Welsh Government BSSW Grant and with only four local bus operators likely to bid there would be no benefit in undertaking the reverse auction since competition would be limited and the reverse auction costs could out way any potential savings. In addition, given the need to allow 56 days for registration of a public service route, there is insufficient time to hold reverse auctions. A list of routes is included in Appendix A.
- 13 100% of Social services contracts are retendered utilising the reverse auction tool available via Bravo Solutions.
- 14 The decision to tender Education contracts over a two period was made following issues identified below and is supported by ELLL Management:
  - Mainstream: To align with the SIP programme, where over 2016-2017 there will be further rationalisation of schools which will impact on the tendering process.
  - SEN: Owing to the number of Taxi operators at Ysgol Maes y Coed and Ysgol Hendre (70+) the decision was made to retender Ysgol Hendre in 2016 to minimise the impact on traffic at the location. Undertaking this approach will offer the

opportunity to rationalise Ysgol Maes y Coed routes prior to the 2017 tender process.

- Taking into consideration the needs of pupils to minimise disruption to their transport requirements as schools listed will have changes to pupils requiring transport and allows officers to undertake advance rationalisation of routes prior to the tender process in agreement with the schools..

- 15 Appendix B lists the establishments and when they are due to be retendered. It should be noted the any contracts not awarded or thrown back in the 2016 tender process will be included in the 2017 process.

### **Financial Impact**

- 16 The total cost per annum of contracts to be retendered (excluding Welsh Government Grant funded Public Transport of £312k) is £3,214,000\* broken down as follows:

- Home to School (Mainstream): £1.7m
- Special Educational Needs: £1,224m
- Adult Social Care: £160k
- Child Social Care: £130k

- 17 The cost for the reverse auction is circa £36,000 this cost will be borne by ELL and a pro rata cost passed onto SSHH.

*\*This figure is based on current costs, i.e. prior to any route rationalisation and prior to the Education and Social Services Directorates providing specific requirements to the Passenger Transport Unit, so the costs could go up or they may go down dependent upon operators' tenders and new demand.*

- 18 Monitoring of the savings will be carried out at the end of the reverse auctions, and again after the routes have been in place for the initial three months of each of the contracts. This will establish the initial savings at the close of the tender exercise/reverse auctions and the true savings for the service after we take into account routes declined or handed back by tenderers for any reason.

## **Equality Impact Assessment**

- 19 A Screening Assessment has been undertaken to assist the Council in discharging its Public Sector Equality Duty under the Equality Act 2010. After completing the assessment it has been determined that this proposal does not require an Equalities Impact Assessment

## **Workforce Impact**

- 20 No workforce impacts.

## **Legal Impact**

- 21 The Public Contract Regulations 2015 require contracts where the value exceeds £164,176 are advertised competitively via the Official Journal of the European Union. Therefore, to ensure compliance with these Regulations, a competitive tender process will be undertaken, in the manner identified above. A contract will subsequently be entered into with the successful providers.

## **Risk Management**

- 22 The risk associated with failing to implement the proposed recommendations is that the benefits set out in the report associated with the contract and the intended procurement exercise will not be realised

## **Consultation**

- 23 There is no requirement for external consultation on this item.

## **Recommendation(s)**

- 24 That Members note the retendering of transport contracts on the following basis:-
- (1) To retender 50% of the DELLL routes in 2016 and to extend the contract period for the remaining 50% for a period of one year with the remaining routes being retendered in 2017.

- (2) That all ELL and SSHH contracts are retendered via Welsh Government managed by Bravo Solutions and to utilise the reverse auction tender tool.
- (3) Welsh Government subsidised Local Bus services are retendered using the closed tender option.
- (4) That the Integrated Transport Unit will award contracts to successful providers on behalf of Environment, Education and Social Services in accordance with Contract Procedure Rules.

### **Reason for Proposed Decision(s)**

25 For information only

### **Implementation of Decision**

26 N/A

### **Appendices**

27 Lists of schools

### **List of Background Papers**

28 Equalities Impact Screening Assessment

### **Officer Contact**

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## **LIST OF SUPPORED ROUTES FOR 2015/ 2016**

<b>ROUTE NO.</b>	<b>ROUTE &amp; TIME OF OPERATION</b>	<b>OPERATOR</b>
121	Alltygrug - Ystalyfera, Mon, Wed, Fri Daytime	South Wales Transport Neath
58/x58	Seven Sisters to Banwen, Mon to Sat Daytime	First Group
59	Efail Fach - Tonmawr, Mon to Sat, Daytime	First Group
150/153/ 155	Fairyland - Leiros Park -Llandarcy Village to Neath, Tue,Thurs,Sat	South Wales Transport Neath
122	Pontardawe - Bryncoch, Mon -Sat, Daytime	South Wales Transport Neath
66	Goytre - Port Talbot, Mon to Sat, Daytime	Ridgways
59	Neath/Tonmawr - Pontrhydyfen, Mon - Sat Evenings	First Group
23	Pontrhydyfen - Blaengwynfi, Mon to Sat, Daytime	First Group
80	Cymer-Glyncorrwg-Abercregan, Mon to Sat, Daytime	First Group
X50/51	Alltycham Estate, Mon to Sat, Daytime	First Group
58 59	Min yr Awel/Banwen - Neath, Sunday and Bank Holidays Pontrhydyfen/Pontardawe - Neath, Sundays & Bank Holidays	First Group First Group

## **Mainstream Schools that are to be tendered 2016**

- Amman Valley Comp
- Bishop Vaughan, Swansea
- Cefn Saeson Comp
- Cillfrew Prim
- Crymlyn Prim
- Crynallt Prim
- Cwmavon Prim
- Cwmtawe Comp
- Cymer Afan Comp
- Cymer Afan Prim
- Dwr y Felin Comp
- Glyncorrwg Prim
- Llangatwg Comp
- Maesyrderrwen Comp, Ystradgynlais  
Ysgol Bryntawe. (Swansea)

## **SEN Schools that are to be tendered 2016**

- Ammanford College
- Blaenbaglan
- Blaendulais
- Blaenhonddan
- Caerau
- Catwg
- Cilfrew
- Cwmtawe
- Godrergraig
- Maesmarchog
- Maesteg
- Pentrehafod
- Ysgol Newydd Bae Baglan
- Ysgol Hendrefelin
- YsgolHendrefelin LCS
- Ystalyfera



## **Main Stream Schools that are to be tendered 2017**

- Ystalyfera – north and south
- Dyffryn upper
- Dyffryn lower
- Rhos Afan
- Alltwen
- Godrergraig
- Llangiwig
- St John the Baptist, Aberdare
- YGG Gwaun Cae Gurwen
- YG Llangynwyd, Maesteg
- Ysgol Rhydywaun, Aberdare

## **SEN Schools that are to be tendered 2017**

- Dyffryn
- Cefn Saeson
- Maes y Coed
- Waunceirch
- Heronsbridge
- Trebanos
- Croeserw
- Afan College
- Gnoll
- Tywyn
- Velindre