

ITEM No ...6.....

REPORT TO: FAIR WORK, ECONOMIC GROWTH AND INFRASTRUCTURE COMMITTEE – 19 FEBRUARY 2024

REPORT ON: HOME TO SCHOOL TRANSPORT PROCUREMENT SOURCING STRATEGY

REPORT BY: EXECUTIVE DIRECTOR OF CITY DEVELOPMENT

REPORT NO: 46-2024

1 PURPOSE OF REPORT

1.1 The purpose of this report is to present a sourcing strategy for the tender process for the provision of specialist school transport provided for young people identified by Children & Families Service as meeting the eligibility criteria for free home to school transport as described in the Council’s Home to School Transport Policy. The proposed contract term is 3 years with an option to extend annually thereafter for a further 3 years.

2 RECOMMENDATION

- 2.1 It is recommended that the Committee:
- a approves the commencement of a procurement exercise in respect of the commission described, based on the sourcing strategy, summarised in this report;
 - b delegates authority to the Head of Sustainable Transport & Roads to finalise the procurement strategy and award a contract to the successful bidders, following a tender process carried out in compliance with the Public Contracts (Scotland) Regulations 2015; and
 - c delegates authority to the Head of Sustainable Transport & Roads to vary the quantity of work ordered from contracted suppliers as required to facilitate variations in annual service demand.

3 FINANCIAL IMPLICATIONS

3.1 The costs of providing home to school transport for learners with Additional Support Needs is met from the Children & Families Service revenue budget. The financial implications associated with this report are the estimated costs of the contracts to be awarded. The value of work ordered varies annually in reflection of changing service demand each academic year, however for estimation purposes the current annual value of contracts awarded to three incumbent licensed taxi operators are approximately £150,000, £193,000, and £123,000.

4 SOURCING STRATEGY SUMMARY

- 4.1 This Sourcing Strategy seeks approval to progress with an appropriate, compliant tender process via Public Contracts Scotland. It is anticipated that Home to School transport will be delivered by taxi operators licensed by Dundee City Council or by bus operators with a PSV’s Operating Licence issued by the Office of the Traffic Commissioner. Pre-qualification is not required as suppliers will be expected to meet all requirements of their licence.
- 4.2 The Council aims to procure transport providers who will provide a comprehensive managed transport service to specific school clusters in Dundee, and where required, to specialist schools located outside Dundee.

5 RISK ANALYSIS

- 5.1 There are four standard risks in any procurement and for public sector regulated procurements, a fifth is added, that of the procurement exercise itself breaching the public contracts regulations and leaving the Council open to a legal challenge.

Description of Risk	Actions to Be Taken to Manage Risk
Commercial Risk – that either the price objectives are not achieved up front or there are other costs that arise during the contract and diminish the overall benefits.	Low Risk - the contract will be tendered and awarded through a compliant tender procedure, through which all costs have been considered.
Technical Risk – this concerns the difficulty in being able to specify the desired outcome and on the market being unable to deliver to the specification.	Medium Risk – Bidders will be expected to identify drivers and passenger escorts to provide a dedicated staffing resource to contracts.
Performance Risk – this concerns the ability of suppliers to perform consistently over the life of the contract to deliver the planned benefits.	Low Risk – a contract management process will ensure effective communication and service quality delivered by suppliers to the purchaser, schools, and passengers.
Contractual Risk – being able to remedy the shortcomings in the contractor's performance without severely damaging the contract and about avoiding reliance on the contracted supplier as the contract develops.	Low Risk - DCC are contractually protected via the contract terms and conditions. The contractor shall be proactively managed during the term of the contract.
Procurement Risk – where a procurement is found unsound in law, through the public procurement rules.	Low Risk – this is a regulated contract.

6 SUMMARY

- 6.1 It is recommended that the Committee approve this Sourcing Strategy and award appropriate delegated powers to the Head of Sustainable Transport & Roads to proceed as outlined.

7 POLICY IMPLICATIONS

- 7.1 This report has been subject to the Pre-IIA Screening Tool and does not make any recommendations for change to strategy, policy, procedures, services or funding and so has not been subject to an Integrated Impact Assessment. An appropriate Senior Manager has reviewed and agreed with this assessment.

8 CONSULTATIONS

- 8.1 The Council Leadership Team have been consulted in the preparation of this report and are in agreement with its content.

9 BACKGROUND PAPERS

9.1 None.

Ewan Macnaughton
Head of Sustainable Transport and Roads

Author: Nadine Law

Robin Presswood
Executive Director of City Development

Dundee City Council
Dundee House
Dundee

RP/EM/NL/KM

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