
Meeting: Executive
Date: 15 May 2012
Subject: Passenger Transport Framework Agreement
Report of: Cllr Brian Spurr, Executive Member for Sustainable Communities – Services

Summary: The report proposes to:

- 1) obtain endorsement for the establishment of a Framework Agreement which facilitates the procurement of home-to-school transport, social care transport and supported public local and community transport services; and
- 2) gain delegated powers for the Director of Sustainable Communities, in consultation with the Executive Member for Sustainable Communities - Services, to award contracts called-off from the Framework Agreement on a case-by-case basis.

Advising Officer: Basil Jackson, Assistant Director, Highways and Transport
Contact Officer: Basil Jackson, Assistant Director, Highways and Transport
Public/Exempt: Public
Wards Affected: All
Function of: Executive
Key Decision Yes
**Reason for urgency/
exemption from call-in
(if appropriate)** N/A

CORPORATE IMPLICATIONS

Council Priorities:

The Council wishes to achieve value for money by conducting an efficient and flexible procurement process that allows route contracts to be awarded to operators with a proven price/quality rating whilst retaining the essential element of competition for changing needs.

The proposed Framework Agreement will also seek to ensure that relevant passenger safeguarding measures are enhanced.

Financial:

1. The potential annual value of contracts that could be used in the Framework Agreement is £10-15M (dependant on demand). The Framework Agreement will remain in place for four years (subject to requirement); however, some call-off contracts may extend beyond the duration of the Framework Agreement. The potential total value of contracts to be awarded under the Framework Agreement is £50M.
2. The Framework Agreement will include a pricing mechanism which accommodates short notice and/or urgent small vehicle (hackney carriage/private hire) services and ensures that these services obtain value for money by consolidating and simplifying various current disparate procurement processes for these services.
3. The funding for the call-off contracts is provided for in existing revenue budgets within Children's Services, Adult Social Care and Sustainable Communities.

Legal:

4. The procurement approach being used is compliant with public (EU and domestic) procurement regulations. A two-stage, restricted tendering procedure is being followed (i.e. pre-qualification and tender).

Risk Management:

5. The new Framework Agreement moves Central Bedfordshire Council on from using an authorised list of suppliers in the tendering process, to establishing a structured network of suppliers – pre-assessed as to their delivery capabilities based on value for money and service quality standards.

Staffing (including Trades Unions):

6. Not applicable.

Equalities/Human Rights:

7. Public authorities have a statutory duty to promote equality of opportunity, eliminate unlawful discrimination and to foster good relations in respect of nine protected characteristics; age disability, gender re-assignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.
8. The provision of effective and good quality passenger transport is crucial in enabling certain sections of the population to access services and other opportunities. National research has highlighted that women, people from ethnic minority communities, disabled people, older and young people are all more likely to be dependent upon passenger transport services and consideration must be given to personal safety and support needs.

9. The framework is divided into different Lots which allow all types of transport providers to apply. All applicants are assessed to ensure that their equality policies comply with Council standards.

Public Health:

10. Not applicable.

Community Safety:

11. Not applicable.

Sustainability:

12. The proposed approach will ensure provision of passenger transport and reduce the need for use of private cars for the school run. This in turn will avoid congestion, increased air pollution etc that may occur if suitable passenger transport services were not easily available.

Procurement:

13. The process being used to establish the Framework is fully compliant with public procurement regulations.

Overview and Scrutiny:

14. Documentation relating to this matter has been viewed by the Chairman of Sustainable Communities Overview and Scrutiny Committee (SCOSC), who is satisfied that a specific item did not need to be considered by the SCOSC.

RECOMMENDATIONS:

The Executive is asked to:

1. **endorse the establishment of a Framework Agreement , and**
2. **grant delegated powers to the Director of Sustainable Communities, in consultation with the Executive Member for Sustainable Communities (Services), to award contracts called-off from the Framework Agreement on a case-by-case basis.**

Reason for Recommendations: To provide a more flexible and efficient approach to procuring passenger transport services and in order to allow call-off contracts to be awarded within time constraints.

Executive Summary

15. The Passenger Transport Review was set-up as a cross-cutting review of transport provision across the Council. It aimed to achieve efficiencies, improved processes, improved communication as well as capturing savings. Many of the aims and objectives were met last financial year, however a large amount of follow-on actions were made – resulting in Phase two of the review.

16. Passenger Transport Review (PTR) phase one highlighted a requirement for CBC to adopt a new approach to the procurement of transport services.
17. PTR phase two will deliver a Framework Agreement based on industry and sector best practise. In December 2011, a procurement exercise to establish the Framework Agreement was initiated.
18. The procurement process is currently at the tender stage i.e. the Framework Agreement has been advertised, the pre-qualification stage has been completed and suppliers have been invited to tender. The tender submission deadline is 1 May 2012. Estimated timescales for the remainder of the procurement process are set out at item 29-31 below.
19. Approval is sought to establish the new Framework Agreement as the primary methodology for transport procurement used by Central Bedfordshire Council.
20. The process for placing business under a Framework is referred to as a call-off. A number of different call-off processes (which may include tools such as direct award, quick quote or further competition) may be permitted depending on the Lot being used to purchase the service.
21. Delegated powers are sought in order to avoid repeated approaches to Executive for approval (due to the volume of expected call-offs) and to minimise delay in awarding contracts.

Framework Agreement

22. A Framework Agreement (Framework) is an 'umbrella' agreement that sets out terms between the Council and Operators under which individual contracts (call-offs) can be made throughout the duration of the agreement. Acceptance onto the Framework does not make any commitment or guarantee any future orders for Operators.
23. During the life of the Framework Agreement, historical spend suggests that there is likely to be a high volume of call-off contracts, the value of each call-off will differ in value and will need to be awarded within limited timescales.

Passenger Transport Review

24. Passenger Transport Review (PTR) phase one reported in January 2011. A major recommendation was that CBC reviews the transport procurement process to enable better contract management, greater efficiency/value-for-money and to drive up quality.
25. PTR1 reported that the development of a Framework Agreement divided into various Lots (for different categories of transport) reflected industry and sector best practise.
26. PTR phase two continues the review and will deliver the revised procurement process.

Estimated Timescales

- 27. Publication of the Contract Notice: 20/01/12
- 28. Pre-Qualification submission deadline: 23/02/12
- 29. Tender submission deadline: 01/05/12
- 30. Suppliers notified of the award of a place on the Framework: 26/06/12
- 31. First contracts commence: 01/09/12

Appendices:

None

Background Papers:

Documentation relating to the Framework Agreement is commercially sensitive whilst the procurement process is ongoing and therefore is not publicly available at this time.

The tender process does not end until 26th June, but can be viewed on request by contacting Tracey Cook after this date.

Direct Dial: 0300 300 6173

Internal: 76173

Email: tracey.cook@centralbedfordshire.gov.uk