

Finance and Resources Committee

10.00am, Tuesday, 30 April 2024

Passenger Transport Framework Agreement

Executive/routine
Wards

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All

1. Recommendations

- 1.1 It is recommended that Finance and Resources Committee:
- 1.1.1 Delegates authority to the Executive Director of Place, in consultation with Finance and Resources Committee Spokespeople, to award a Framework Agreement for Passenger Transport Services; and
 - 1.1.2 Notes the expected commencement of the contract as May 2024 for a period of two years with an option to extend for two further 12 month periods (12 months +12 months) with an estimated value of circa £15,000,000 per year. A level of contingency is included within the overall value.

Paul Lawrence

Executive Director of Place

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Report

Passenger Transport Framework Agreement

2. Executive Summary

- 2.1 This report requests delegated authority to the Executive Director of Place to award a Framework Agreement for Passenger Transport services following the conclusion of a current procurement process.
- 2.2 In order to ensure delays and associated costs are minimised, this report requests approval to proceed with award of a Framework in a time period that will facilitate the allocation of routing for school transportation in the 2024/25 school year.

3. Background

- 3.1 The Council's Travel Hub manage a range of passenger transport services, including home to school transport, transport of pupils with additional support needs (ASN), transport of vulnerable service users for Health and Social Care (HSC) and booking unescorted passenger journeys (for example for Council officers and elected members, health and social care clients, children with additional support needs and school transport).
- 3.2 The current Framework for Unescorted Passenger Journeys expires in July 2024. The current Framework for Education and Health and Social Care expires in July 2024 and requires a replacement aligned to the academic year.

4. Main Report

- 4.1 The specifications for both Frameworks are similar, so a decision has been taken to combine them, taking the opportunity to mitigate the same risks and to improve other aspects of the tender (including Key Performance Indicators (KPIs) and Community Benefits), whilst ensuring the tender remains accessible to micro-enterprises. This means that the approach to assessing and evaluating quality has been reviewed.
- 4.2 The current Frameworks are managed by the Travel Hub and naturally align in terms of customers, Council priorities, legislative requirements and risk, and the wider supply market.

- 4.3 The approach to create a single Framework is also intended to support the need for the new Framework to be in place by the end of summer 2024, to align with the new school session and to ensure that the statutory provision is allocated.
- 4.4 The scope of the new Passenger Transport Framework will allow greater market engagement and should increase available capacity, resulting in efficiency savings and the potential to minimise cost increases by both increasing competition and managing demand for these services, such as by promotion of and support to uptake the free bus pass scheme.
- 4.5 The new Passenger Transport Framework also takes into consideration changes in usage levels due to the COVID-19 pandemic and Ukraine conflict, the potential to challenge demand and deliver savings via promotion of the free bus pass scheme, and also places appropriate emphasis on environmental factors (such as the introduction of the Low Emission Zone (LEZ) and the Edinburgh 2030 Climate Strategy as well as carbon measures) detailed in the specifications.
- 4.6 However, incorporating the current Frameworks into one strategic approach and procurement resource issues has resulted in unavoidable delays to the procurement timeline.
- 4.7 Commercial and Procurement Services (CPS) published a Contract Notice on 26 March 2024 with returns due on 29 April 2024. This seeks tenders for the following Lots:
- 4.7.1 Lot 1 - Vehicle and Driver – Unescorted;
- 4.7.2 Lot 2 - Vehicle, Regular Driver and Regular Passenger Assistant including option for Out of Authority Routes;
- 4.7.3 Lot 3 – Unescorted Passenger Transport; and
- 4.7.4 Lot 4 - Coach Excursions and Associated Services Vehicle and Regular Driver – Unescorted (including option for Out of Authority Routes).
- 4.8 A cost/quality ratio of 60% Quality : 40% Price has been applied to each Lot to ensure that high quality suppliers are appointed, as well as ensuring competitive pricing is submitted.
- 4.9 The quality analysis shall be based on weighted award criteria questions, which will be scored using a 0 to 4 matrix. Details of the full criteria to be applied are included in Appendix 1.

5. Next Steps

- 5.1 Should Committee approve the recommendation, the Framework shall be awarded in May 2024 following the conclusion of the procurement exercise.
- 5.2 When the outcome of the procurement process is reached, an award recommendation report will be submitted to the Executive Director of Place for approval, in consultation with Finance and Resource Committee Spokespeople. An update on the outcome will also be provided to the next Committee meeting.

- 5.3 The expected approval date for the award of the Framework is May 2024.
- 5.4 The Council's City Wide Services Manager will act as Contract Manager.
- 5.5 The Contract Manager will ensure effective Contract Management is delivered throughout the lifecycle of the Contract, in accordance with the Council's Contract Management Framework and with the support of the Contracts and Grants Management Team (CAGM), as necessary.

6. Financial Impact

- 6.1 The estimated annual value of the framework is £15.0m per annum and reflects existing demand with a contingency for further expenditure should this be required to meet service needs. By bringing all transport provision within one framework this is expected to provide opportunities to deliver efficiencies.
- 6.2 The cost of these transport services are spread across the following individual service departments:
- Edinburgh Health and Social Care Partnership – 25%
 - Education Children and Justice Services – 68%
 - Corporate – 0.20%
 - Place – 5%
- The savings achieved by combining the two Frameworks will be outlined in the award recommendations and will be shared with Committee in the next update.
- 6.3 Savings targets assigned by the Edinburgh Health and Social Care Partnership (EHSCP) under this contract and will be reported by them throughout the next three years.
- 6.4 Financial assessments shall be carried out on tenderers are part of the Stage 1 assessments. Should any financial assessments conducted result in a tenderer being shown to have not met the criteria set, the Council may exclude the Tenderer from the competition or may apply discretion seeking supporting evidence to determine the Tenderer's suitability to proceed in the procurement process.
- 6.5 The costs associated with procuring this Framework are estimated to be from £20,001 to £35,000.

7. Equality and Poverty Impact

- 7.1 Tenderers will be asked to confirm if they will pay employees involved in the delivery of the Framework (including any agency or sub-Contractor employees directly involved in the delivery of the Framework) at least the real Living Wage. The Council has the option to not consider further any tenderer should they fail to answer "Yes" to this question.

- 7.2 A fair work practices question is asked to gauge tenderer's alignment to Fair Work First, the Scottish Government's alignment with the Fair Work Framework.
- 7.3 Further details on the assessment of this question shall be detailed within the award recommendation report which will be submitted as part of the contract award process.

8. Climate and Nature Emergency Implications

- 8.1 A sustainability question has been asked of tenderers which focuses upon the specifics of minimising the carbon/climate impact of delivery of the transportation services.
- 8.2 The introduction of the Low Emission Zone (LEZ) and the Edinburgh 2030 Climate Strategy (as well as carbon measures) are detailed in the specifications and terms and conditions.
- 8.3 Further details on the assessment of the question shall be detailed within the award recommendation report which will be submitted as part of the contract award process.

9. Risk, Policy, Compliance, Governance and Community Impact

- 9.1 A community benefits question has been asked of tenderers as part of the award criteria.
- 9.2 Further details on the assessment of the question and the community benefit outcomes offered by the successful suppliers will be detailed within the award recommendation report which will be submitted as part of the contract award process.

10. Background Reading/External References

- 10.1 None

11. Appendices

Appendix 1 – Tender Evaluation Process

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Lot	Lot 1: Vehicle and Driver – Unescorted. No specialist care, or equipment required.
Contract period (including any extensions)	The Contract period is for a period of two years with the option to extend for up to two periods of up to twelve months each, undertaken at the sole discretion of the Council
Estimated Lot Value (including extensions)	£13,000,000
Procurement Route Chosen	Open Procedure
Price/Quality Ratio	40/60
Quality Questions and Weightings	<p>Performance Management - 25%</p> <p>Customer Service - 25%</p> <p>Business Continuity / Contingency Plans - 20%</p> <p>Sustainability and The Environment - 20%</p> <p>Fair Work Practices - 10%</p>
Evaluation Panel Members	Three Council Staff Officers based within the Travel Hub

Lot	Lot 2: Vehicle, Driver and Passenger Assistant. Specialist vehicle and/or equipment may be required for the transport of vulnerable children and adults.
Contract period (including any extensions)	The Contract period is for a period of two years with the option to extend for up to two periods of up to twelve months each, undertaken at the sole discretion of the Council
Estimated Lot Value (including extensions)	£24,000,000
Procurement Route Chosen	Open Procedure
Price/Quality Ratio	40/60
Quality Questions and Weightings	Performance Management - 25% Customer Service - 25% Business Continuity / Contingency Plans - 20% Sustainability and The Environment - 20% Fair Work Practices - 10%
Evaluation Panel Members	Three Council Staff Officers based within the Travel Hub

Lot	Lot 3: Unescorted Passenger Transport
Contract period (including any extensions)	The Contract period is for a period of two years with the option to extend for up to two periods of up to twelve months each, undertaken at the sole discretion of the Council
Estimated Contract Value (including extensions)	£18,000,000
Procurement Route Chosen	Open Procedure
Price/Quality Ratio	40/60
Quality Questions and Weightings	<p>Delivery of the Contract - 15%</p> <p>Disposal Methodology - 20%</p> <p>Quality Assurance - 15%</p> <p>Business Continuity - 10%</p> <p>Community Benefits - 10%</p> <p>The Environment - 10%</p> <p>Equalities - 10%</p> <p>Fair Work Practices - 10%</p>
Evaluation Panel Members	Three Council Staff Officers based within the Travel Hub

Lot	Lot 4: Transport for Excursions
Contract period (including any extensions)	The Contract period is for a period of two years with the option to extend for up to two periods of up to twelve months each, undertaken at the sole discretion of the Council
Estimated Contract Value (including extensions)	£3,000,000
Procurement Route Chosen	Open Procedure
Price/Quality Ratio	40/60
Quality Questions and Weightings	<p>Delivery of the Contract - 15%</p> <p>Disposal Methodology - 20%</p> <p>Quality Assurance - 15%</p> <p>Business Continuity - 10%</p> <p>Community Benefits - 10%</p> <p>The Environment - 10%</p> <p>Equalities - 10%</p> <p>Fair Work Practices - 10%</p>
Evaluation Panel Members	Three Council Staff Officers based within the Travel Hub