

WEST DUNBARTONSHIRE COUNCIL**Report by the Chief Education Officer****Education Committee: 27 September 2023**

Subject: Contract Authorisation Report - School Transport Session 2023/2024**1. Purpose**

- 1.1** The purpose of this report is to inform members of the arrangements for school transport for session 2023/24, and the use of delegated authority taken through the provision of standing orders and financial regulations by the Chief Education Officer in the awarding of contracts in June 2023.

2. Recommendations

- 2.1** It is recommended that the Education Committee:

- a) Note that the Chief Education Officer in liaison with Strathclyde Partnership for Transport (SPT) on behalf of West Dunbartonshire Council, concluded the award of the provision of mainstream school transport contracts from August 2023 as detailed in appendix 1;
- b) Note that the contracts shall be for a maximum period of 1 year and at the cumulative value of £474,373 per annum (ex VAT);
- c) Note that work to award contracts took place during the period of statutory consultation in regards to the proposed change in free school transport policy, which Educational Services committee agreed not to implement in July 2023;
- d) Note that due to operational procedures and timescales, the Authority required to notify SPT to proceed with necessary arrangements to ensure school transport provision was in place for the start of the new school term. As this was out with the timescale of reporting to committee, it required the use of delegated authority through the financial regulations Q8 1c);
- e) Note that of the 15 contracts advertised, bids were not received for 4 contracts. On discussion with the industry, there has been a reduction in the availability of services and contractors, and that contractors were reluctant to bid for contracts should there have been a change in policy by the Council. SPT re-advertised the contracts and forwarded recommendations.
- f) Note the Chief Education Officer in liaison with SPT will award any further contracts for and during school term 2023/2024 for contracts not exceeding £50,000.

3. Background

- 3.1** Strathclyde Partnership for Transport (SPT) makes the necessary arrangements in liaison with West Dunbartonshire Council to procure all mainstream school transport contracts.
- 3.2** The procurement exercise was conducted on the Council's behalf by SPT under their Dynamic Purchasing System which offers open access to suppliers and enables the Council to take advantage of supplier competition and capacity. The procurement was carried out in accordance with the Public Procurement Regulations.
- 3.3** At West Dunbartonshire Council's meeting of 21 December 2022, a proposed change for the school transport policy and provision in West Dunbartonshire was approved by elected members, subject to the outcome of a statutory consultation. Members of the Education Services Committee approved the launch of a statutory consultation on the proposal at its meeting in March 2023. The outcome of the statutory consultation was considered at a special Education Services Committee on 7th July 2023, where it was decided not to make any changes to the school transport policy.
- 3.4** Members will be aware that:
- a) Contracts for sums not exceeding £50,000 may be awarded by the appropriate Chief Education Officer following appropriate procurement processes; and
 - b) Contracts for sums exceeding £50,000 require to be notified to Members for approval.
- 3.5** The outcome of the procurement exercise conducted by SPT was given to West Dunbartonshire during the period of the statutory consultation. To ensure that elected members were not taking any decisions on school transport during this period, steps were taken to ensure provision of school transport for the session 2023/24 by the Chief Education Officer and Chief Officer: Regulatory through the financial regulations Q8 1c) which state:

Q8 Application of and Departure from the Requirements of these Financial Regulations

1. These Financial Regulations will apply to all contracts for works, supplies and services except in the following circumstances:

c. Where in the express and written opinion of i) the Section 95 Officer, or ii) the Strategic Lead – Regulatory, the application of the Financial Regulations would be such as to impose a financial, reputational or legal penalty upon the Council or may significantly impede the Council in the performance of its statutory duties such that it would be perverse to strictly apply these Financial Regulations.

- 3.6** As contracts are aggregated for Public Procurement Regulations they have been reported here regardless of their individual values.

4. Main Issues

- 4.1** Tender submissions were evaluated by representatives from SPT (as laid down in West Dunbartonshire Council's mainstream school transport agency agreement) against pre-determined selection criteria forming part of the published tender documents which assessed contingency planning, presentation and livery and social benefit. Three tender submissions passed the selection criteria.
- 4.2** Lists of contracts are appended showing those for sums exceeding £50,000 for Members noting (Appendix 1).
- 4.3** The contracts awarded are for a 12 month period and include dedicated vehicle provision and service bus passes. Where dedicated contracts are approved, all vehicles must be fitted with seatbelts. The total annual value of the contracts recommended as listed at appendix 1 is £474,373 (exc VAT) which represents an increase of £114,258 compared to the contract cost in the previous year. The value of contracts where a public service provision is used is £185,193. It should be noted that children and young people with an under 22 travel pass would not require West Dunbartonshire Council to also provide a bus pass to access this public service provision.
- 4.4** The award of contracts will be subject to meeting the terms and conditions as stated in the Conditions of Contract.
- 4.5** 10% of the available quality marks (20% weighting overall) were attributed to social benefits and this will be explored further with the appointed contractors under the terms of the contract and in consultation with SPT.

5. People Implications

- 5.1** There are no people implications related to this report.

6. Financial and Procurement Implications

6.1 Financial:

- 6.1.1** Financial costs in respect of these particular contracts will be met from the approved revenue budgets of Education, Learning and Attainment. As noted in 4.4 above, there will be an overall increase in annual cost of £114,258 for the recommended contracts as referenced in appendix 1. At the budget setting exercise each year anticipated costs are determined by our understanding of expected market fluctuations, however this year has seen a marked rise in transport costs and reduction in bids and operators out with our prediction.
- 6.1.2** In discussion with contractors to better understand their increase in costs, they cited increase in licence fees, vehicle costs, maintenance, insurance, fuel and

administrative overheads, along with a need for a greater number of escorts to support individual children's needs. The department will now consider what can be done to reduce administrative overheads, but acknowledged that little can be done to address the other pressures faced.

A saving of £185,193 will be made by not providing bus passes to access public service provision, and ensuring children and young people have and make use of their under 22 travel pass instead.

6.2 Procurement:

- 6.2.1** This procurement exercise was conducted in accordance with the relevant Public Procurement Regulations.

7. Risk Analysis

- 7.1** There is a risk that the Authority will not deliver its statutory duties under the Education Scotland Act (1980) should we fail to procure services to transport children and young people to and from school.
- 7.2** The successful contractors have no known links to Serious and Organised Crime which would have significant political and reputational ramifications for the Council.
- 7.3** Where contracts failed to attract bids from the market, our market analysis identified barriers. It should be noted that there is a general reduction in the availability of contractors, the size of vehicles at their disposal and increasing costs to them to deliver services. This was further exacerbated by the statutory consultation where contractors stated they would be reluctant to bid for work that could be subject to removal. This presents a significant challenge to the department in fulfilling its statutory obligation to get children and young people to and from school.

8. Equalities Impact Assessment (EIA)

- 8.1** An equalities impact assessment screening has been carried out which confirmed there is no negative impact on any protected characteristic.

9. Consultation

- 9.1** Legal, Finance and Corporate Procurement Unit have been consulted in relation to the content of this report.

10. Strategic Assessment

- 10.1** Proper procurement is a cornerstone of good governance and supports Council and officers to pursue the 5 strategic priorities of the Council's Strategic Plan. This report forms part of the financial governance of the Council.

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Appendices: As attached

Background Papers: EIA screening

Wards Affected: All

