

**SCHOOL TRANSPORT
TENDERING OF IN-HOUSE ROUTES**

1. SUMMARY

A report advising of a proposal to re-visit the tender evaluation criteria in respect of school transport was considered at the Council's Executive on Thursday 18th September 2008 when members decided

1. To agree the recommendations as detailed in the report; and
2. To agree that revised tender evaluation criteria should be brought to the Social Affairs PPG in the first instance.

The report by the Director of Community Services dated 26 August 2008 refers.

2. RECOMMENDATION

Social Affairs Policy Performance Group members are recommended to remit this matter to the Council's Executive for approval.

3 DETAIL

The recommendations agreed by the Council's Executive on 18th September 2008 were as follows :-

Members were asked to:

- (a) Note the outcome of the initial tendering round
- (b) In light of this, agree that the tender evaluation criteria should be revisited and re-drafted to take account of factors such as:
 - (i) The impact on availability of Pupil Transport minibuses for use by schools in delivering curricular/extra curricular activities.
 - (ii) The impact on the availability of Pupil Transport minibuses for community use outwith operational periods.
 - (iii) Incorporating like for like service requirements in tender specifications; and
- (c) Agree a further report on revisions to tender evaluation criteria come to a future meeting

In deciding the best course of action to take when assessing future tenders which involve testing the cost of in-house operations against private sector tenders it will be necessary to ensure that

- (i) competition is not being restricted.

- (ii) the Council is still achieving best value
- (iii) in insisting on like for like between in-house and private sector there is no loss of flexibility which could result in an increase in costs.

The assessment will only apply where a private sector tender price is less than the in-house. It is proposed that the tender be evaluated in the normal manner by taking into account factors in addition to price and of which tenderers will have been made aware in their tender documentation. A suggested breakdown is as follows:-

40% Price
30% Quality
30% Additionality

This latter percentage factor will take into account the following factors.

Whether or not :-

- (i) the Council vehicle is available for curricular, extra curricular and community activities?
- (ii) the Council vehicle is actually used for these purposes and how often.
- (iii) the tenderer will operate to the same route as the Council vehicle.
- (iv) the tenderer has merged more than one journey into one vehicle.
- (v) the tenderer's timings are acceptable.
- (vi) the tenderer's proposed pick-up and set-down points are acceptable.
- (vii) the tenderer has any self drive mini-buses for hire in the area.
- (viii) the tenderer has any mini-buses or coaches for hire in the area, with driver.

4. CONCLUSION

If tenders are evaluated in this manner it should be possible to continue to test the value of in-house work against the private sector while taking into account the social value to the community of the particular Council vehicle wherever it is based.

There is no mention of TUPE although tenderers are pre-warned in the tender letter they receive with their documentation that TUPE may apply and that they should take this into consideration as it is their responsibility, not that of the Council.

5. IMPLICATIONS

5.1 Policy – Complies with Council policy agreed on 18th September 2008.

5.2 Financial – Potential savings depending on the placing of work with the most economically advantageous tender whether in house or external.

5.3 Personnel – Additional staff for the Council if the work is taken in house and possibility of Council moving to external contractors under TUPE.

5.4 Equal Opportunities – None

5.5 Legal – None.

For further information please contact D Blades, Public Transport Officer (01546 604193).

George Harper
Director, Development Services

Douglas Hendry
Director, Community Services

27th February 2009