

BRIDGEND COUNTY BOROUGH COUNCIL

19 MARCH 2019

REPORT OF THE CORPORATE DIRECTOR EDUCATION AND FAMILY SUPPORT INVITATION OF TENDERS FOR HOME-TO-SCHOOL BUS SERVICE CONTRACTS

1. Purpose of report

- 1.1. To request Cabinet approval for Bridgend County Borough Council (BCBC) to undertake a procurement exercise to invite tenders to bid for contracts for multiple home-to-school bus services, for a term of 5 years with the option to extend by 2 further periods of 1 year. The indicative total value for the full term is £17.9m.

2. Connection to corporate improvement objectives/other corporate priorities

- 2.1. This report assists in the achievement of the following corporate priority/priorities:

Supporting a successful economy – taking steps to make the county a good place to do business, for people to live, work, study and visit, and to ensure that our schools are focused on raising the skills, qualifications and ambitions of all people in the county.

Smarter use of resources – ensuring that all its resources (financial, physical, human and technological) are used as effectively and efficiently as possible and support the development of resources throughout the community that can help deliver the Council's priorities.

3. Background

- 3.1. The local authority has a statutory duty under the Learner Travel (Wales) Measure 2008 to make suitable transport arrangements to facilitate the attendance of children each day at the relevant places where they receive their education or training. This is primarily achieved via the contracting of transport services from the private sector.
- 3.2. The majority of mainstream pupils are transported in large buses of various sizes. There are currently 79 contracts (each as a separate route) for large buses provided by a number of transport operators, who are predominantly local companies based in Bridgend.

4. Current situation/proposal

- 4.1. The current large bus contracts for home-to-school transport will expire in July 2019. To ensure that the local authority is meeting its responsibilities under the Public Contracts Regulations 2015, the Council's Contract Procedure Rules and to seek value for money, permission is now sought to initiate a new procurement exercise to compete and award these large bus contracts.

- 4.2. The tender will comprise of a schedule of the aforementioned 79 separate routes that will be tendered by the Corporate Procurement Team utilising an open competition advertising at first on 'Sell2Wales' and the 'Official Journal of the European Union' (OJEU). This will be conducted electronically utilising 'eTenderWales'.
- 4.3. In consideration of the market factors of struggling capacity in this sector, the outlined proposal is to conduct a procurement exercise awarding contracts for a term of five years with the option to extend for a further two periods of one year. This will allow the local authority to offer longer contracts to encourage investment, strengthen the existing contractual arrangements and potentially open up the market to new suppliers.
- 4.4. All suppliers who initially meet the specified minimum quality requirements will be required to submit prices for the routes.
- 4.5. Table 1 below outlines the indicative timetable for the procurement exercise.

Table 1 - Indicative Procurement Timeline

Stage	Activity	Completion date
1	Cabinet report approved	19 March 2019
2	Issue Transfer of Undertakings (Protection of Employment) Regulations (TUPE) notice	25 March 2019
3	Publish OJEU Contract Notice	3 April 2019
4	Publication of the Invitation To Tender (ITT) on 'eTenderWales'	8 April 2019
5	Closing date for submissions (at least 30 days after publication)	9 May 2019
6	Open tenders	9 May 2019
7	Evaluation of submissions	10 - 13 May 2019
8	Notification of successful tenderers and feedback	14 May 2019
9	Standstill period	15 May 2019
10	Final award	28 May 2019
11	Publish OJEU Award Notice	29 May 2019

5. Effect upon policy framework and procedure rules

- 5.1. There is no impact on the policy framework and procedure rules.
- 5.2. Current home-to-school bus contracts have been in place for a number of years, and expire in July 2019 with no remaining options to extend the term.
- 5.3. Legal and procurement officers have advised that there is a need to ensure compliance with the Public Contract Regulations 2015, the Council's own Contract Procedure Rules and to demonstrate that the Council is achieving best value for money. Procurement regulations currently require advertisement in the Official Journal of the European Union (OJEU). In addition, the regulations require any procurement process to be conducted in an open, transparent and non-discriminatory manner.
- 5.4. Under the Council's Contract Procedure Rules, any decision to procure services with an estimated value exceeding £5,000,000 must be made Cabinet function.

6. Equality Impact Assessment

6.1. There are no equalities issues related to this report.

7. Well-being of Future Generations (Wales) Act 2015 implications

7.1 The Well-being of Future Generations (Wales) Act 2015 assessment has been completed. A summary of the implications from the assessment relating to the five ways of working is as follows:

Long-term

The identification of an initial term of five years for the contract with the option to extend by two further periods of one year, identifies that the local authority is supporting the sustainability of school bus services and ensuring that local transport operators are able to justify an initial investment in capital assets ie transport vehicles and associated infrastructure, for the medium term.

Prevention

The local authority assesses the suitability of transport operators to deliver home-to-school transport services. The local authority, is now developing training to support operators with training, to enable them to develop and maintain their knowledge and skills, and be successful in fulfilling the role.

Integration

School transport operators have a strategic role in providing a service so that all eligible pupils are supported in accessing their place of education. This ultimately means that learners can learn and achieve so that they can access opportunities for further learning and employment, and can play active roles in their communities, contributing positively to society as a whole.

Collaboration

School transport providers have a strategic role in supporting pupil's access to school. Transport providers need to ensure the health and wellbeing of pupils and staff. The local authority, in conjunction with transport providers, are ensuring that services are improved to meet the needs of all learners.

Involvement

The local authority engages with transport operators on a daily basis.

8. Financial implications

8.1 There are currently 79 routes that will be tendered. The estimated cost of these combined contracts over the period of the tender is detailed in Table 2 below.

Table 2: Estimated cost of large bus tender (over seven years of contract)

Current daily cost of all large bus contracts	Estimated annual cost of all contracts (190 days)	Estimated cost of all contracts over seven years
£13,436	£2,552,840	£17,869,880

9. Recommendation

9.1 Cabinet is asked to:

- authorise the invitation of tenders as set out above; and
- authorise the acceptance of the most economically advantageous tenders received and the award of contracts to the successful bidders following the procurement process.

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Background documents

None