

Finance and Resources Committee

10.00am, Thursday, 27 November 2014

Framework Agreement for Unescorted Passenger Journeys for the City of Edinburgh Council

Item number	7.18
Report number	
Executive/routine	
Wards	All

Executive summary

This report seeks the approval of the Finance and Resource Committee to appoint Central Radio Taxis (Tollcross) Ltd to supply all three Lots of the Framework Agreement for Unescorted Passenger Journeys for the City of Edinburgh Council, commencing on 15 December 2014 for a period of three years with an optional extension of up to 12 months.

Links

Coalition pledges	P1
Council outcomes	CO1 , CO3 , CO5 , CO6 , CO10
Single Outcome Agreement	SO2 , SO3

Framework Agreement for Unescorted Passenger Journeys for the City of Edinburgh Council

Recommendations

- 1.1 It is recommended that the Finance and Resource Committee approves the appointment of Central Radio Taxis (Tollcross) Ltd to supply all three Lots of the Framework Agreement for Unescorted Passenger Journeys for the City of Edinburgh Council.

Background

- 2.1 This Framework Agreement is administered by the Passenger Operations Team within Services for Communities, and provides approximately 70,000 passenger journeys a year, primarily for a range of vulnerable people. Health and Social Care are the primary users of the contract although it is also used by Children and Families, and the Temporary Accommodation Service in Housing and Regeneration. The same contract is also used by elected members and council staff on council business.
- 2.2 Considering the Council's obligation to encourage fair and open competition when tendering contract opportunities, the Framework Agreement has been divided into the following three Lots:
- Lot 1 - Journeys for Council service users requiring wheelchair accessible vehicles or vehicles with an internal partition. The number of journeys within this Lot is estimated at 10,500 journeys annually and 7,800 journeys annually, respectively.
 - Lot 2 - Journeys for Council service users. The number of journeys within this Lot is estimated at 42,200 journeys annually.
 - Lot 3 - Journeys for Council staff and elected members. The number of journeys within this Lot is estimated at 9,300 journeys annually.
- 2.3 A principal feature of this Framework Agreement is that of service provision to often highly vulnerable clients with complex and sometimes challenging needs. The care and safety of vulnerable clients is therefore appropriately reflected in the specification and mandatory criteria for Lots 1 and 2.

Main report

- 3.1 Commercial and Procurement Services undertook a full OJEU tender exercise by placing an OJEU Contract Notice on the Public Contracts Scotland Portal on 1 August 2014 under Part A, Category 2 - Land Transport Services. Organisations noting interest were then able to download the tender documentation attached to the contract notice.
- 3.2 Nineteen expressions of interest were noted, which resulted in the following tenders being received by the tender closing date of 15 September 2014;
- Lot 1 – two tenders
 - Lot 2 – three tenders
 - Lot 3 – five tenders
- 3.3 The tenders were evaluated by a Tender Evaluation Panel consisting of the Travel and Fleet Manager, an officer from the Passenger Operations team, and an officer from Commercial and Procurement Services.
- 3.4 The Panel used the following published evaluation methodology, evaluating quality as well as cost with the aim of selecting the tender which represented the best overall value for money for each Lot.
- Stage 1 (Selection Criteria) - The aim of the Stage 1 evaluation was to allow the Council to identify suitably qualified and experienced tenderers in terms of compliance with Regulation 23 of the Public Contracts (Scotland) Regulations 2012, financial probity and compliance with mandatory criteria. Only tenders which met those criteria were taken forward and considered in the Stage 2 evaluation.
 - Stage 2 (Award Criteria) - The aim of the Stage 2 evaluation was to select the tender which represented the best overall value for money in terms of quality and cost for each Lot. The tender evaluation process was undertaken using a quality/cost ratio of 70% cost and 30% quality, as agreed between the service area and Commercial and Procurement Services. Therefore the highest quality submission was allocated the 30% weighting with the other quality submissions being scored on a prorated basis against the highest quality submission. The lowest priced bid was allocated the 70% weighting and all other bids scored on a prorated basis against the lowest priced bid.
- 3.5 Central Radio Taxis (Tollcross) Ltd scored best in terms of both price and quality during the tender evaluation, and offer the most economically advantageous bid to the Council for all three Lots.

3.6 A summary of the scoring is detailed in the following tables:

Lot 1

Tenderer	Price Score	Quality Score	Overall Score
Bidder A	70%	30.00%	100%
Bidder B	59.8%	27.8%	87.6%

Lot 2

Tenderer	Price Score	Quality Score	Overall Score
Bidder A	70%	30.00%	100%
Bidder B	59.3%	27.8%	87.1%

Lot 3

Tenderer	Price Score	Quality Score	Overall Score
Bidder A	70%	30.00%	100%
Bidder B	62.8%	27.8%	90.6%
Bidder C	65.1%	23.1%	88.2%

3.7 Central Radio Taxis (Tollcross) Ltd has demonstrated that it has the capacity and capability to service all three Lots in terms of both fleet and personnel as follows:

- Fleet – estimated 460 wheelchair accessible vehicles with an average fleet age of less than three years.
- Personnel – estimated 1,300 full and part-time drivers with PVG Scheme records.

Measures of success

- 4.1 The contracted service will provide a high quality, responsive and cost effective passenger transport offering the fleet size/diversity and the flexibility required.
- 4.2 Service users will be transported by adequately insured drivers with PVG Scheme Record clearance.
- 4.3 The Passenger Operations team will be able to track the whereabouts of a vehicle and passenger at any time by means of real time access to the Supplier’s booking systems and management information. This benefit will provide an additional level of security and reassurance for vulnerable passengers, their carers and the Council.
- 4.4 The new Framework Agreement features flexibility so that new and additional un-contracted transport requirements can be serviced if required i.e. if transport is requested by a service outwith scheduled journeys this can be provided.
- 4.5 Financial savings (as detailed in 5.1 below).

Financial impact

- 5.1 The Contract for the provision of these services had an estimated annual value of £950,188 based on 2013/2014 usage data and the discounts applied in the previous contract.
- 5.2 Following the analysis of tenders, the estimated annual value for the Framework Agreement will be £941,585 giving an estimated annual saving of £8,603 or 0.9% (£34,412 for the full Framework Agreement period including optional extension).
- 5.3 The costs associated with procuring this contract are estimated at between £10,001 and £20,000.

Risk, policy, compliance and governance impact

- 6.1 The following risks have been identified as potential issues for the Council.

Risk	Mitigating Action
Legal challenge from unsuccessful companies who participated in the tender.	The Framework Agreement has been divided into three Lots to maximise the opportunities available to as many potential bidders as possible. Commercial and Procurement Services have overseen the tender process to ensure compliance.
Committee decides not to award contract.	The current contract would need to be extended further to allow Council service requirements to be met. A new tender process would need to be undertaken.

- 6.2 Passenger Operations will be responsible for contract management, and will monitor the performance of the service throughout the duration of the contract.

Equalities impact

- 7.1 An Equalities and Rights Impact Assessment was undertaken with due regard to the protected characteristics outlined in the Equalities Act 2010. Given the nature of the services and especially the vulnerable nature of the service users, equalities considerations were given to the technical specification of these vehicles. Consultation was undertaken with several stakeholders which included

Children and Families and Health and Social Care practitioners. The agreed technical specifications were included in the tendering process to ensure the vehicles would meet the requirements of the various users.

Sustainability impact

- 8.1 The impacts of this report have been considered in relation to Climate Change (Scotland) Act 2009 Public Bodies Duties and the outcomes are summarised below. Relevant Council sustainable development policies have been taken into account and would be met in the following ways: The Supplier:
- is required to make every effort to minimise the impact of the delivery of these services on the environment
 - shall use their best endeavours to achieve the efficient use of energy and, where possible, to maximise the use of biodegradable or recycled products
 - shall have their own environmental policy to demonstrate compliance
 - shall apply (i) the minimum mandatory standards for CO2 emissions for the relevant vehicle category from the Government Buying Standards and (ii) the Cleaner Road Transport Vehicles (Scotland) Regulations 2010 for any new vehicles acquired for use in the delivery of this Framework Agreement.

Consultation and engagement

- 9.1 A working group consisting of senior officers from Licensing, Travel and Fleet Services, Legal, Commercial and Procurement redrafted the previous specification for this requirement in consultation with Health and Social Care, and Children and Families.

Background reading/external references

John Bury

Acting Director for Services for Communities

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Links

Coalition pledges	P1 - Increase support for vulnerable children, including help for families so that fewer go into care
Council outcomes	CO1 - Our children have the best start in life, are able to make and sustain relationships and are ready to succeed CO3 - Our children and young people at risk, or with a disability, have improved life chances. CO5 - Our children and young people are safe from harm or fear of harm, and do not harm others within their communities. CO6 - Our children's and young people's outcomes are not undermined by poverty and inequality. CO10 - Improved health and reduced inequalities
Single Outcome Agreement	SO2 - Edinburgh's citizens experience improved health and wellbeing, with reduced inequalities in health SO3 - Edinburgh's children and young people enjoy their childhood and fulfil their potential
Appendices	Appendix 1 – Summary of Tendering and Tender Evaluation Processes

Appendix 1 - Summary of Tendering and Tender Evaluation Processes

Contract	Framework Agreement for Unescorted Passenger Journeys for the City of Edinburgh Council
Contract period (including any extensions)	Commencing 15 December 2014 for three years with optional extension up to 12 months
Estimated contract value	£941,585 (annual)
Governing UK Regulation	The Public Contracts (Scotland) Regulations 2012
Standing Orders observed	<p>2.3 EU procedure utilised.</p> <p>2.4 EU principles have been applied.</p> <p>2.7 Commercial and Procurement Manager provided resource to undertake tendering.</p> <p>3.1 Director has responsibility for selecting and appointing contractors.</p> <p>3.2 Director has responsibility for all contracts tendered and let by their directorate.</p> <p>6.1 Standstill period will be observed.</p>
EU Procedure chosen	Open
Tenders returned	<p>Lot 1 – 2 tenders</p> <p>Lot 2 – 3 tenders</p> <p>Lot 3 – 5 tenders</p>

Tenders fully compliant	Lot 1 – 2 tenders Lot 2 – 2 tenders Lot 3 – 3 tenders
Recommended supplier/s	Central Radio Taxis (Tollcross) Ltd
Primary criterion	Most economically advantageous tender
Secondary criterion	Financial (70%)
	Quality (30%)
Evaluation Team	Stephen Madden - Travel and Fleet Manager Joan Wood – Transport Officer Claudine Persaud – Senior Commercial Development Officer, Commercial & Procurement Services