

# Finance and Resources Committee

10.00am, Tuesday, 2 February 2016

## Taxicard Services

Item number	7.14
Report number	
Executive/routine	
Wards	All

### Executive summary

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This report seeks the approval of the Committee to appoint Central Radio Taxis (Tollcross) Ltd to supply Taxicard Services for the City of Edinburgh Council commencing on 1 April 2016 for a period of two years with an optional extension of up to a further two periods of 12 months each. The contract for the provision of these services has an estimated annual value of £600,000 based on 2014/2015 usage data.

### Links

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Coalition pledges	<a href="#">P1</a>
Council outcomes	<a href="#">CO1</a> , <a href="#">CO3</a> , <a href="#">CO5</a> , <a href="#">CO6</a> , <a href="#">CO10</a>
Single Outcome Agreement	<a href="#">SO2</a> , <a href="#">SO3</a>

## Taxicard Services

### Recommendations

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- 1.1 It is recommended that the Committee approves the appointment of Central Radio Taxis (Tollcross) Ltd (“Central”) to supply Taxicard Services for the City of Edinburgh Council commencing on 1 April 2016 for a period of two years with an optional extension of up to a further two periods of 12 months each, undertaken at the sole discretion of the Council.

### Background

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- 2.1 The City of Edinburgh Council’s Taxicard scheme has been successfully operating for many years. Taxicard is offered as a valued part of a holistic Concessionary and Accessible Transport (C&AT) provision in the city. Taxicard is the most well used form of C&AT and meets the widest range of travel needs.
- 2.2 Taxicard allows the holder to make taxi journeys at a reduced rate. The Taxicard scheme is designed to help people with disabilities get about by making taxi journeys more affordable with participating taxi operators.
- 2.3 Taxicard currently provides users with a fixed discount on taxi journeys: £2.00 per journey for fares under £5.00 and £3.00 for fares over £5.00. Taxicard scheme members are allowed up to 104 journeys per year. There is no subsidy or discount available on journeys in excess of the annual allowance.
- 2.4 The Council currently funds this service through the Transport revenue budget. Expenditure in the financial year 2014/15 was £551,524.
- 2.5 Taxicard is available to Edinburgh residents with a severe, permanent disability who cannot use commercial bus services or can only use buses with assistance. Children under two years old and people with temporary mobility difficulties are not eligible for a Taxicard.
- 2.6 There are currently 8,534 registered users of Taxicard in Edinburgh making approximately 205,000 trips annually.
- 2.7 The scheme is administered by the Parking Operations Team within the Place Directorate.

## Main report

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- 3.1 A principal feature of Taxicard is 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.
- 3.2 Commercial and Procurement Services conducted the tender and evaluation process in accordance with Council Contract Standing Orders and The Public Contracts (Scotland) Regulations 2012. A full OJEU tender exercise was undertaken by placing an OJEU Contract Notice on the Public Contracts Scotland Portal as a single stage procedure on 8 June 2015.
- 3.3 Seventeen organisations noted their interest in the contract and were able to download the Invitation to Tender (ITT) which was attached to the notice. Four organisations submitted responses to the ITT by the tender closing date of 22 July 2015.
- 3.4 The first stage of the ITT evaluation process was used to assess if the bidders were suitably qualified and experienced by considering their financial stability, technical capability, capacity, experience and organisational processes and procedures.
- 3.5 After completion of this stage, two bidders were disqualified due to not meeting the mandatory criteria (provided in Appendix 1) as set out within the ITT.
- 3.6 In the ITT it was stated that the contract would be awarded to the top scoring supplier on the basis of the Most Economically Advantageous Tender, with 30% of the overall score being given to quality and 70% given to price. The 70% price was split into two sections: 65% for the discount offered against Council subsidised journeys and 5% for discount offered against journeys above the Council subsidised journey threshold of 104 journeys per annum. This ratio helped to ensure maximisation of the savings to support the Council's budget and also took into account the quality of service to scheme members.
- 3.7 The two tender submissions received were evaluated individually by the three members of the evaluation team in terms of quality. Fourteen areas were evaluated, each having different weightings and being scored between 0 and 4 in accordance with the Evaluation Criteria Scoring Definitions included in the ITT. Further details of the procurement process, including the members of the evaluation team, and the fourteen evaluation areas and their respective weightings, is provided in Appendix 1.

- 3.8 On completion of the individual evaluation process a consensus meeting was attended by the members of the evaluation team and the contract administrator from Commercial and Procurement Services. Individual evaluation scores for responses to the quality questions were reviewed and debated and a consensus score reached for each. The appropriate weighting was then applied to each to arrive at a final quality score for each bidder.
- 3.9 Following completion of the quality analysis the pricing bids were opened and subjected to a cost analysis. The supplier offering the higher discount on Council subsidised journeys was awarded the maximum 65% score. The other bid was then scored on a pro-rated basis against this..
- 3.10 The higher discount for journeys above the 104 Council subsidised journeys was awarded the maximum 5%. The other bid was then scored on a pro-rated basis against this.
- 3.11 The quality scores were then combined with the scores from the cost analysis to give an overall score for each bidder out of a maximum of 100. The results are detailed in the table below.
- 3.12 Due to there only being 2 compliant bidders, the actual prices are not included for reasons of commercial sensitivity.

<b>Tenderer</b>	<b>Price Score</b>	<b>Quality Score</b>	<b>Overall Score</b>
<b>Central Radio Taxis (Tollcross) Ltd</b>	62.86%	24.38%	87.24%
<b>Bidder B</b>	70%	16.3%	86.13%

- 3.13 The bidder with the higher overall score which represents the Most Economically Advantageous Tender is Central.
- 3.14 Central has demonstrated that it has the capacity and capability to provide the Taxicard Service in terms of both its current fleet and personnel as follows:
- Fleet –465 wheelchair accessible, carbon neutral accredited, taxi vehicles with an average fleet age of less than four years. This core fleet is capable of providing the full service required.
  - Personnel – estimated 1,200 full and part-time fully licensed drivers. Every driver has PVG with Protected Adults and Children certification.
- 3.15 Additionally, some users of the Taxicard service prefer to use saloon car vehicles rather than traditional taxi vehicles. Central has committed to provide this additional service where required using new, zero emission, electric saloon car vehicles upon receiving licensing approval.

## Measures of success

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- 4.1 The contracted service will provide a high quality, responsive and cost effective passenger transport offering the fleet size required to meet the Council's sizeable and changing requirements.
- 4.2 Service users will be transported by adequately insured drivers with PVG Scheme Record clearance.
- 4.3 Financial savings (as detailed in 5.1 below).

## Financial impact

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- 5.1 The contract for the provision of these services has an estimated annual value of £600,000 based on 2014/2015 usage data.
- 5.2 Following the analysis of tenders an estimated annual saving of £105,985 or 18% should be realised based on the current Council expenditure of c. £600K.
- 5.3 The costs associated with procuring this contract are estimated at between £10,001 and £20,000.

## Risk, policy, compliance and governance impact

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- 6.1 The following risks have been identified as potential issues to the Council as to the successful delivery of the contract:

<b>Risk</b>	<b>Mitigating Action</b>
Legal challenge from unsuccessful companies who participated in the tender.	The contract was designed to encourage 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 providers would continue to provide the service to ensure Council service requirements to be met. Estimated savings of c. £106K p a would not be realised. A new tender process would need to be undertaken causing delay to service improvements, additional costs and loss of potential savings.

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

## Equalities impact

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- 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 service provided and especially the vulnerable nature of the service users, equalities considerations were given to the specification of the contract.
- 7.2 The contract for Taxicard Services in Edinburgh will provide high quality, responsive and cost effective passenger transport offering the fleet size/diversity and the flexibility required to meet users and the Council's sizeable and changing requirements. Maintaining the current discount for users of the scheme and the same number of discounted journeys will ensure that all users of the scheme will continue to benefit from the ability to travel in Edinburgh at a discounted rate, enhancing users rights to health, education and learning, standard of living, productive and valued activities, individual, family and social life and participation, influence and voice.
- 7.3 Service users will be transported by adequately insured drivers with Protecting Vulnerable Groups Scheme Record clearance enhancing users rights to physical security. The service being offered will also maintain the positive impact on people's social lives and help reduce social exclusion.
- 7.4 The Parking 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.
- 7.5 One of the main barriers to Individual, Family and Social Life for older people or those with mobility problems is suitable transport options. Continuing to offer the Taxicard service, using an operator with capacity and capability to provide the service will help to remove this barrier.
- 7.6 The views and feedback from the C&AT engagement and consultation have been used to inform the development of the contract specification.
- 7.7 The quality of service specified in the tender documents removes disadvantages for all users and encourages participation in public life.

## Sustainability impact

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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; and
- 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 service.

## Consultation and engagement

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The specification for this service was written in consultation with the C&AT review team after engagement sessions with approximately 15 organisations and 350 people including service users, representatives of service users, charities and the Equalities Transport Advisory Group.

## Background reading/external references

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None required.

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## Links

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<b>Coalition pledges</b>	P1 - Increase support for vulnerable children, including help for families so that fewer go into care
<b>Council outcomes</b>	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 CO13 - People are supported to live at home CO22 - Moving efficiently – Edinburgh has a transport system that improves connectivity and is green, healthy and accessible
<b>Single Outcome Agreement</b>	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
<b>Appendices</b>	Appendix 1 – Summary of Tendering and Tender Evaluation Process

## Appendix 1 - Summary of Tendering and Tender Evaluation Processes

Contract	Taxi Card Services
Contract period	1 April 2016 – 31 March 2018 –(including a 2x1 year optional extension)
Contract value	£2,400,000
Standing Orders observed	2.4 Requirement to advertise 5.1.b Selection of the most economically advantageous tender
Portal used to advertise	<a href="http://www.publiccontractsscotland.co.uk">www.publiccontractsscotland.co.uk</a>
EU Procedure chosen	Open
Invitations to tender issued	17
Tenders returned	4
Tenders fully compliant	2
Recommended supplier/s	Central Radio Taxis (Tollcross) Ltd
Primary criterion	Most economically advantageous tender to have met the qualitative and technical specification of the client department
Mandatory Criteria	<ol style="list-style-type: none"> <li>1. Appropriate Insurances</li> <li>2. Enhanced Disclosure</li> <li>3. Management of Health &amp; Safety at Work Regulations</li> <li>4. Experience &amp; Expertise</li> <li>5. Standards and legislative requirements</li> <li>6. Fully licensed fleet</li> <li>7. Driver training</li> <li>8. Environmental Policy</li> <li>9. Relevant driver, vehicle and office licenses</li> </ol>

<p>Evaluation criteria and weightings</p>	<p>Written responses were provided for the following award criteria areas:</p> <ol style="list-style-type: none"> <li>1. Delivery Of The Contract – 10%</li> <li>2. Complaints Procedure – 5%</li> <li>3. Collaboration, Monitoring &amp; Dispute Resolution - 5%</li> <li>4. Meeting KPI's &amp; Targets – 10%</li> <li>5. Banned &amp; Expired Taxicards – 10%</li> <li>6. Management Information – 10%</li> <li>7. Quality Assurance – 5%</li> <li>8. Business Continuity – 5%</li> <li>9. The Environment – 5%</li> <li>10. Continuous Improvement – 5%</li> <li>11. Equalities – 5%</li> <li>12. Community Benefits - 5%</li> <li>13. Booking System – 10%</li> <li>14. Capacity – 10%</li> </ol>
<p>Evaluation Team</p>	<p>Parking Operations Manager, Services for Communities  Parking Services Manager, Services for Communities  Parking Services Team Leader, Concessionary and Accessible Transport, Services for Communities</p>