

ABERDEEN CITY COUNCIL

COMMITTEE Finance & Resources

DATE 11th May 2010

CORPORATE DIRECTOR Stewart Carruth

TITLE OF REPORT School Transport Contracts

REPORT NUMBER CG/10/080

1. PURPOSE OF REPORT

The Finance and Resources Committee of the 10th December 2009 resolved to request officers to report back on the outcome of the most recent tendering exercise for the school transport contracts across the City for 2010/2011.

2. RECOMMENDATION(S)

- (i) The Committee is asked to note the content of the report.

3. FINANCIAL IMPLICATIONS

The Education and Social Work needs that require to be re-tendered in 2010/2011 are being combined. The Education requirement consists of 39 separate contracts and is currently averaging a total cost of £ 599,507 pa with the Social Work requirement comprising 9 separate contracts and accounting for £ 232,713.70 of an overall combined total spend of £ 832,220.70.

The year on year costs for these contracts have reduced by £150,000. This Procurement saving will form part of the required 2010-11 transport savings for the Education, Culture and Sport service.

4. SERVICE & COMMUNITY IMPACT

The refreshed contracts will provide value for money and the maximum efficiency in service delivery for all end users.

5. OTHER IMPLICATIONS

The contract implementation will follow appropriate Health & Safety Regulations and Council Policies.

6. REPORT

Contracts for the provision of transport for school children are costed on the basis of mileage and journey time for uplift and return of pupils as well as escorts

where required. As children leave and join school the mileage and journey times for the contracts changes as the transport requirement changes.

Preparation for these contracts renewals were undertaken through the joint working of the Public Transport Unit (PTU) and the Central Procurement Unit (CPU). The contract refresh started in order to accommodate a start date of 1st April 2010. The value of the contracts required advertisement in the European Journal and the related mandatory processes were followed in full. In addition advertisement appeared in both the Press & Journal and Evening Express newspapers. Contracts of this size take significant preparation from point of designing specifications, through to competitive sourcing, tender receipt, evaluations, recommendations and awards.

When 2009/2010 requirements were tendered a refreshed approach to stimulating interest from potential providers and specifying the contracts was adopted. The same approach was followed for these requirements.

Within Aberdeen there is a shortage of minibuses, high capacity/wheelchair accessible private hire and taxi cars. As such they are in greater demand, cost more to operate and require a different licence in the case of minibuses. These issues are factored into the pricing structure received by the customer. The larger providers who have these vehicles within their fleets benefit from a limited marketplace with little genuine competition. Therefore it was imperative to proactively engage, as widely as possible, with the taxi community to encourage participation in competing for Council business.

As with the last requirement we ensured effective and efficient route planning to allow for maximum vehicle capacity with more children sharing. This has assisted in reducing vehicle requirement, mileage and therefore overall costs.

These approaches have proved successful in providing for Best Value by reducing administration, an improvement in quality, reduced costs, increasing the variety and availability of vehicles at our disposal and increasing competition for the other block contracts once they are due for renewal.

7. AUTHORISED SIGNATURE

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