

CHESHIRE EAST COUNCIL

Cabinet

Date of Meeting:	28 th May 2013
Report of:	Head of Public Protection and Enforcement
Subject/Title:	Key Decision 5 - Award of Contract for the Flexible Transport Service
Portfolio Holder:	Cllr David Topping

1.0 Report Summary

- 1.1 This report seeks approval to award the contract for a long term flexible demand responsive transport contract from 15 July 2013 until 14 July 2018. The total value of the contract is £2,300,208 over 5 years with the option to extend the contract for a further 2 years.
- 1.2 The contract will replace two interim flexible transport contracts that have been in place since spring last year following the withdrawal from the market place of two charities that had previously provided traditional 'dial a ride' services in the borough.
- 1.3 The public consultation exercise undertaken between April and June 2012 confirmed the value and importance of flexible demand responsive transport to older (especially frail) and disabled residents, as well as being a key way of addressing the Council's equality duties and discharging our statutory obligation to consider and provide for the transport needs of older and disabled residents.

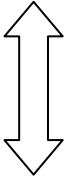
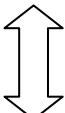
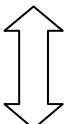
2.0 Decision Requested

- 2.1 To agree the award of contract to Tenderer 1 for the new flexible transport service with a contract end date of 14 July 2018.
- 2.2 Authorise officers to award the contract and work with the operator to plan, mobilise and start the service on 15 July 2013.

3.0 Reasons for Recommendations

- 3.1 Cheshire East Council supports flexible demand responsive transport for residents who find it impossible to use conventional fixed route bus services through disability (such as blindness / partial sight, physical disability), frailty or lack of public transport provision due to rural isolation. The existing service is provided through two interim, short term contracts which have a contract end date of 12 July 2013.

- 3.2 A full EU compliant procurement procedure has been undertaken to award a long term contract for the next 5 years, which will provide a high quality service enabling fair and equitable access to services across the borough.
- 3.3 The tender was split into two Lots:
- Lot 1 – North: Macclesfield, Wilmslow, Knutsford, Congleton, Holmes Chapel and surrounding areas
 - Lot 2 – South: Crewe, Nantwich, Sandbach, Alsager, Middlewich and surrounding areas.
- 3.4 Bidders were asked to tender a daily price for operating each Lot with 4 vehicles, 5 days a week (Mondays to Fridays). The Council received 5 tenders that were evaluated on a cost / quality scoring mechanism and MEAT (Most Economically Advantageous Tender) analysis.
- 3.5 A full analysis and evaluation of all tender submissions has been undertaken. The table below illustrates the range of scores (from highest to the lowest) for each Lot, as well as the scores for each combined tender.

Procurement Lots	Quality	Price	Total	Company
Lot 1 (North)				
<div> Highest Evaluated Score  Lowest Evaluated Score </div>	46	34.9	80.9	Tenderer 2
	42	34.2	76.2	Tenderer 1
	52	18.3	70.3	Tenderer 3
	29	38.3	67.3	Tenderer 4
Lot 2 (South)				
<div> Highest Evaluated Score  Lowest Evaluated Score </div>	42	40	82.0	Tenderer 1
	52	18.4	70.4	Tenderer 3
	21	36.3	57.3	Tenderer 5
Combined Lot 1 (North) and Lot 2 (South)				
<div> Highest Evaluated Score  Lowest Evaluated Score </div>	42	40	82.0	Tenderer 1
	52	27.4	79.4	Tenderer 3
	52	23.6	75.6	Tenderer 3

- 3.6 The highest scoring tender was submitted by Tenderer 1 – it is therefore recommended that the contract is awarded to Tenderer 1 for their combined tender across both Lot 1 and Lot 2.

- 3.7 The value of the contract is in line with the agreed budget and will provide a level of service consistent with that currently being provided. The contract includes flexibility to respond to changing demand patterns (etc) throughout the 5 year life of the contract.

4.0 Wards Affected

- 4.1 All

5.0 Local Ward Members

- 5.1 All

6.0 Policy Implications including

- 6.1 The authority is required to undertake formal assessments of the transport needs of residents and of older and disabled residents in particular. With the advent of the public sector equality duty, additional care must be taken to ensure that protected groups' needs are considered, and – where possible – equality promoted and inequality minimised.
- 6.2 The provision of fully accessible demand responsive transport provides a means of accessibility for young people and the increasingly ageing population – providing access to services, as well as the opportunity for social activities which contribute to general health and wellbeing.

7.0 Financial Implications

- 7.1 The value of the long term contract (£460,000 per annum) can be met within the agreed annual budget. The contract will be awarded on a 'minimum cost' basis and therefore all fare income, including any concessionary fare reimbursements will be credited to the Council. The income from the service could be used to fund additional resources (e.g. evenings and weekends) if required.
- 7.2 In addition to providing a daily price for operating the 'core flexible demand responsive transport service' with 8 vehicles, the operator was asked to tender prices for providing additional resources, if required including; a daily price per vehicle beyond the minimum of 8, a price for each excess mile above what has been asked for, and, a price per hour for providing a vehicle and driver during evening and weekends.
- 7.3 Where there is a need to either increase or reduce the service provision this will be negotiated with the operator using the prices they have provided within their tender bid.

8.0 Legal Implications

- 8.1 There are statutory duties contained in the Transport Act for local transport authorities to support services which are deemed to meet transport needs that would otherwise be unmet. There is a specific duty to identify the needs of

older and disabled residents; such duty is also contained in the Equality Act, which imposes an overriding duty upon the authority to ensure that inequality is minimised and equality promoted through its policies and actions.

- 8.2 The contract was tendered in accordance with the Public Contracts Regulations 2006 and a full EU procurement procedure was undertaken.

9.0 Risk Management

- 9.1 The interim short term contract arrangements end on 12 July 2013 – there is no opportunity for a further extension period. To ensure no break in service provision to the existing users and ensure a smooth transition to the long term contract arrangements, there is a need to mobilise and implement swiftly to meet the 15 July 2013 start date of the long term contract.
- 9.2 A detailed Communications Plan will be developed in conjunction with the Media Relations Team to communicate the changes and ensure that the current users and wider local community are aware of the change of operator for the service. The service will continue to operate between 09.00 and 16.00, Monday to Fridays (except Bank Holidays) and is therefore consistent with the current provision.
- 9.3 The contract will be closely monitored throughout the 5 year period with regular passenger origin and destination data being provided by the operator to give accurate passenger trip information. The data will be used to evaluate the effectiveness and efficiency of the service throughout the contract period.

10.0 Background

- 10.1 To understand the transport needs of local communities and to help guide the Council's future investment in public transport provision, a consultation exercise was undertaken between 27 April and 22 June 2012. The consultation included a series of 10 engagement events held at various locations across the Borough. The results of the public consultation have been used to provide evidence and identification of transport needs.
- 10.2 As part of the consultation process, a targeted focus group session was held with representatives of older people and disability groups (e.g. Age UK, 50+ Network, Disability Resource Exchange and Iris Vision Resource Centre). This provided an opportunity to explore the needs of these protected equality groups and deepen our understanding of their transport and accessibility requirements.
- 10.3 For many older (especially frail older) and disabled residents, demand responsive transport is not only appropriate for their travel needs, it can often be the main or only way their travel needs can be met. It is therefore a key way of addressing the Council's equality duties where conventional fixed route bus services are not appropriate or available.

11.0 Access to Information

The background papers can be inspected by contacting the report writer:

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