

## **NORTH SOMERSET COUNCIL DECISION**



**DECISION OF:** THE DIRECTOR OF ENVIRONMENT, ASSETS AND TRANSPORT SERVICES

**WITH ADVICE FROM:** HEAD OF PROCUREMENT

**DECISION NO:** 24/25 EAT 20

**SUBJECT:** HOME TO SCHOOL TRANSPORT DN756513 (INR201)

**KEY DECISION:** YES

### **REASON:**

The authority will incur savings of £500,000 or greater over the lifetime of this contract, assuming all variables remain the same over the 65-month life of the contract (plus a possible 1-year extension). The authority will also incur expenditure of over £500k over the lifetime of this contract (assuming all variables remain the same).

### **BACKGROUND:**

The Home to School Transport (HTST) service manages over 300 contracts with multiple contracts expiring throughout each academic year and needing to be retendered to ensure continuity of services and to allow the service to meet its statutory requirements.

The HTST service procures at key points throughout the year (May – August for contracts commencing in September, October – December for contracts commencing in January, and January – March to contracts commencing in April), and ad-hoc as new demand dictates new services are required to be implemented.

To ensure best value for money, the team identify opportunities for contracts to be extended, renewed, retendered, or cancelled as planning allows for students join or leave the service.

### **DECISION:**

A – To award the contracts in procurement round **DN756513 (INR201)**

### **REASONS:**

The Home to School Transport Service served notice on the existing contracts at Inaura School in November 2024, following a review of the route after services commenced at the start of the academic year.

Following notice being served, the Home to School Transport Service underwent a procurement process to identify an operator through a competitive process and taken the opportunity to review the route type offered at Inaura to incorporate the current requirements of the students, school and transport model in a more sustainable opportunity.

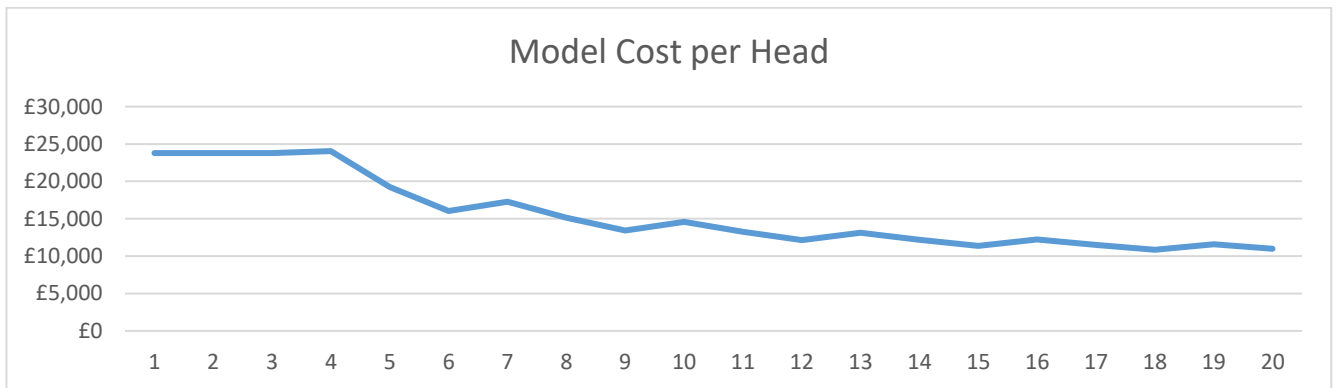
The chosen model is based on a per vehicle per annum contract, this allows for fixed price scalability as students join or leave the service and gives a single operator the responsibility

for all students attending the school. This is beneficial as allows the operator to work with Home to School Transport and the school to determine efficient use of their contracted resource, whilst securing value for money for the local authority and removing any variations for additional mileage due new students. The model will scale with more students, adding vehicles at the agreed price, providing transparency for both the authority and operator in regards the forecasting for the route.

The winning operator has several routes with the local authority, including SEN routes and currently operates the contracted services at Weston College.

The below graph demonstrates how the model scales with size, the current route requirements state 3 single use vehicles and 4 shared vehicles. The model assumes the single use vehicles first, therefore cost per head is static across the first 3 students. As further students are added to the scheme, the cost per head drops and becomes. The route currently has 13 students allocated (3 single use, then 10 students across the remaining 4 vehicles).

Due to the model assumption of 3 students per vehicle (sharing), adding 2 further students will have no additional cost to the authority, reducing cost per head from £13.1k to £11.4k. Should there be a removal of a student, then the cost per head drops from £13.1k to £12.2k. The below model is expanded to show up to 20 students (with 3 on single use vehicles). If further students are allocated to this service (up to 20), the cost per head could reduce to approximately £11k.



**OPTIONS CONSIDERED:**

A – To award the contract in procurement round **DN756513 (INR201)**

B – To not award the contract in procurement round **DN756513 (INR201)**. There is a risk to service that we will not be able to meet our statutory obligations to provide free Home to School Travel for the student(s).

**FINANCIAL IMPLICATIONS:**

**Costs**

The table below makes the following assumptions:

- 2 Trips per day
- There are 190 academic days in the financial year
- There are 130 academic days between September and April
- Inflation has not been added for future years.

- The table does not include INSET days – approximately 5 per academic year.
- The end date is considerate of any extension offered at the point of procurement

Route	£391.0k			Proposed Operator	Start Date	End Date	Max:	£909.9k	£170.6k
	Current Annual (forecast)	New Annual	-56.37% Change Current				Total:	£909.9k	
INR201	£391,000	£170,600	-56.37%	Apple	01/Mar/2025	31/Jul/2030	64	£909,867	£170,600

The contract has an estimated lifetime cost of £909,867, with an expected annual cost of £170,600, assuming student numbers remain static. The contract value could increase or decrease dependent on demand at the school and will be led by SEN placements.

The current contract value is the annual of all the contracts served notice at Inaura, based on the current forecast contained within the HTST monitor. Note, this has not reduced with student numbers due to the ongoing dispute with the existing operator and ensuring that the full value is forecast (including the disputed values).

The new annual value is based on 3x single use vehicles at £23,800 each (£71,400) and 4 multi occupancy vehicles at £24,800 each (£99,200), totalling £170,600 per year.

#### **FUNDING:**

The above routes will be funded from the existing Home to School Transport Budget, in part through a saving against the current forecasts for the routes that this replaces. The budget is currently 4% overspent for the 2024/25 financial year, however, a saving against forecast will be achieved during March 2025 for the start of this contract. The budget for 2025/26 will see the full year saving of the route against the current annual forecast.

#### **LEGAL POWERS AND IMPLICATIONS**

None. North Somerset Council is the contracting Authority and the award of these contracts ensure compliance with statutory duty to provide Home to School Transport Services.

#### **CLIMATE CHANGE AND ENVIRONMENTAL IMPLICATIONS**

There are no anticipated climate change or environmental implications, noting that the operation of the route is likely to remain the same for the remainder of the 2024/25 academic year, with the operator responsible for ensuring efficient routing to transport all students to Inaura. As students leave or join the service, there will be opportunity to review the travel allocations and vehicle numbers deployed.

#### **CONSULTATION**

During the process of reviewing the existing contract and undergoing the procurement process, colleagues in finance have been consulted on, along with those in the legal team. The tender specification was written to include information shared by both the current operator and the school to ensure service continuity for the students.

#### **PROCUREMENT**

Prior to procurement all routes (combined) are subject to a pre-procurement engagement form if they are over £5000. HTST ensure that this is completed and the reference number is recorded from the procurement team.

The Pre-procurement reference number is: NSC-0337-25

**RISK MANAGEMENT**

North Somerset Council will be at risk of not meeting statutory requirements to provide Home to School Transport Services if the routes are not approved.

**EQUALITY IMPLICATIONS**

Have you undertaken an Equality Impact Assessment? **No**

Not relevant as ensures ongoing service continuity or provision of services for new demand. Policy is applied equally to those applying for Home to School Transport.

**CORPORATE IMPLICATIONS**

If the route is not agreed to, the students impacted are those that are supported by SEND. SEND may need to adjust the students EHCP to determine a school that Transport would not be required to attend.

**APPENDICES**

Not Applicable

**BACKGROUND PAPERS**

Not Applicable

SIGNATORIES:

DECISION MAKER(S):

Signed: ..... Environment, Assets and Transport Services

Date: .....

WITH ADVICE FROM

Signed: .....Head of Procurement

Date: .....