

**REPORT TO: EDUCATION COMMITTEE – 23 AUGUST 2010**

**REPORT ON: PROCUREMENT OF SCHOOL TRANSPORT**

**REPORT BY: DIRECTOR OF CITY DEVELOPMENT AND DIRECTOR OF EDUCATION**

**REPORT NO: 422-2010**

## **1.0 PURPOSE OF REPORT**

1.1 This report is to inform the committee of the outcome of the home to school transport tendering exercise that took place in July 2010.

## **2.0 RECOMMENDATION**

2.1 It is recommended that the Committee notes and approves the tender awards as detailed in Appendix 1.

## **3.0 FINANCIAL IMPLICATIONS**

3.1 The outcome of this tendering exercise will have a direct impact on the cost of providing home to school transport.

## **4.0 BACKGROUND**

- 4.1 The Sustainable Transport Team within City Development Department is responsible for the procurement and management of contracts that facilitate the transport of children between their homes and school.
- 4.2 The Education Department decides on eligibility (entitlement to transport) and retains responsibility for the home to school transport budget. The majority of children who are deemed eligible for home to school transport have additional support needs or live more than 3 miles from their designated school.
- 4.3 There are a small number of in-house fleet minibuses that convey children to school, but the majority of entitled children travel to school in contracted vehicles operated by private sector providers.
- 4.4 Transport contracts are generally awarded on a three-year basis and are awarded to a mixed fleet of private hire car operators, taxi operators, minibus operators and local bus (PSV) operators. A major tendering exercise was undertaken in July 2009 when 92 school transport contracts were awarded.
- 4.5 During the course of the last academic session, a number of contracts were put out to verbal tender in order to meet new transport demands that had arisen during the school year. All contracts tendered in this way were awarded until the end of the summer term (July 2010). A tendering exercise was therefore required to ensure the extension of these 'temporary' contracts until July 2012. Additional contracts were also required to be tendered to meet the transport demand created by pupils starting at a new school in August 2010.

- 4.6 Following the tendering exercise, successful tenderers were given verbal provisional notification of the outcome of the tendering exercise on 20 July 2010. All tenderers were provisionally advised in writing of the outcome on 27 July 2010. The majority of home to school transport contracts began operating on 18 August 2010, and subject to the Committee's approval will continue until June 2012.

## **5.0 DATA FROM THE TENDER EXERCISE (HOME TO SCHOOL)**

- 5.1 Tendering packs were issued to 84 different operators on 2 July 2010 with a further 8 tender packs despatched in the following two weeks. 19 individual contracts were put out to tender.
- 5.2 The closing date was 19 July 2010 and 15 different operators submitted bids.
- 5.3 A number of operators submitted multiple bids. In total 101 bids were received for the 19 contracts. This is an average of 5.3 bids per contract.
- 5.4 One contract was awarded to a PSV Operator with the remaining 18 contracts awarded to taxi or private hire car operators.
- 5.5 The tenders received were analysed by members of the Sustainable Transport Team. Cost was the sole factor on which tender submissions were assessed by the Sustainable Transport Team. However, when vehicle availability precluded the award of a contract to the lowest bidder, contracts were awarded to ensure the most economically advantageous outcome for the Council. In the event that two or more tenderers submitted the same daily rate and these bids were the lowest tender submission, the tenderer offering the lowest mileage adjustment rate was awarded the contract.
- 5.6 Of the 19 contracts put out to tender in this tendering exercise, all were filled.
- 5.7 Specific information on the outcome of the tender exercise is detailed in appendix 1. For each contract, the operator to whom the award has been made is noted along with the annual value of that award (based on 190 schooldays). The value of the lowest and highest bids for each contract is also shown along with the number of different bids submitted.

## **6.0 POLICY IMPLICATIONS**

- 6.1 This Report has been screened for any policy implications in respect of sustainability, strategic environmental assessment, anti-poverty, equality impact assessment and risk management. There are no major issues. An Equality Impact Assessment has been carried out and will be made available on the Council website:  
<http://www.dundee.gov.uk/equanddiv/equimpact/>
- 6.2 The provision of high quality home to school transport is not explicitly mentioned in the Dundee Single Outcome Agreement but it contributes to a number of local outcomes including 'our children will be safe, healthy, nurtured, active, respected, responsible and included'.

## **7.0 CONSULTATIONS**

- 7.1 The Chief Executive, Depute Chief Executive (Support Services), Director of Education, Director of Finance and Assistant Chief Executive have been consulted and are in agreement with the contents of this report.

## **8.0 BACKGROUND PAPERS**

- 8.1 Equality Impact Assessment

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Jim Collins  
Director of Education

NHG/JB/JC

Dundee City Council  
Tayside House  
Dundee

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Mike Galloway  
Director of City Development

11 August 2010

## Detailed Tender Results by Contract - July 2010

## Appendix 1

Contract Reference	Craigie 013
Route Description	Dundee - Craigie High School
Number of Bids Received	1
Lowest Bid (Annual Cost)	£16,720.00
Highest Bid (Annual Cost)	£16,720.00
Accepted Bid (Annual Cost)	<b>£16,720.00</b>
Successful Tenderer	<b>Red Line Mini Coaches</b>

Contract Reference	Hillside 039
Route Description	Dundee - Hillside Primary School
Number of Bids Received	7
Lowest Bid (Annual Cost)	£8,740.00
Highest Bid (Annual Cost)	£14,060.00
Accepted Bid (Annual Cost)	<b>£8,740.00</b>
Successful Tenderer	<b>Dundee 505050 Ltd</b>

Contract Reference	Morgan 066
Route Description	Dundee - Morgan Academy
Number of Bids Received	4
Lowest Bid (Annual Cost)	£6,460.00
Highest Bid (Annual Cost)	£7,600.00
Accepted Bid (Annual Cost)	<b>£6,460.00</b>
Successful Tenderer	<b>Tay Taxis</b>

Contract Reference	Newfield's 068
Route Description	Dundee - Newfield's Primary School
Number of Bids Received	4
Lowest Bid (Annual Cost)	£7,600.00
Highest Bid (Annual Cost)	£11,210.00
Accepted Bid (Annual Cost)	<b>£7,600.00</b>
Successful Tenderer	<b>Tay Taxis</b>

Contract Reference	Kingspark 098
Route Description	Dundee - Kingspark School
Number of Bids Received	7
Lowest Bid (Annual Cost)	£9,500.00
Highest Bid (Annual Cost)	£15,010.00
Accepted Bid (Annual Cost)	<b>£9,500.00</b>
Successful Tenderer	<b>Tele Taxis Dundee Ltd</b>

Contract Reference	Menziesshill 099
Route Description	Dundee - Menziesshill High School
Number of Bids Received	6
Lowest Bid (Annual Cost)	£7,600.00
Highest Bid (Annual Cost)	£10,260.00
Accepted Bid (Annual Cost)	<b>£7,600.00</b>
Successful Tenderer	<b>Tay Taxis</b>

Contract Reference	Fintry 101
Route Description	Dundee - Fintry Primary School
Number of Bids Received	4
Lowest Bid (Annual Cost)	£6,080.00
Highest Bid (Annual Cost)	£8,360.00
Accepted Bid (Annual Cost)	<b>£6,080.00</b>
Successful Tenderer	<b>Tay Taxis</b>

Contract Reference	Frances Wright 102
Route Description	Dundee - Frances Wright Pre School
Number of Bids Received	5
Lowest Bid (Annual Cost)	£11,590.00
Highest Bid (Annual Cost)	£16,530.00
Accepted Bid (Annual Cost)	<b>£11,590.00</b>
Successful Tenderer	<b>Tele Taxis Dundee Ltd</b>

Contract Reference	Whitfield Early Years 103
Route Description	Dundee - Whitfield Early Years Community Nursery
Number of Bids Received	3
Lowest Bid (Annual Cost)	£5,320.00
Highest Bid (Annual Cost)	£6,080.00
Accepted Bid (Annual Cost)	<b>£5,320.00</b>
Successful Tenderer	<b>Dundee 505050 Ltd</b>

Contract Reference	Grove 105
Route Description	Dundee - Grove Academy
Number of Bids Received	4
Lowest Bid (Annual Cost)	£1,140.00
Highest Bid (Annual Cost)	£2,660.00
Accepted Bid (Annual Cost)	<b>£1,140.00</b>
Successful Tenderer	<b>Tele Taxis Dundee Ltd</b>

Contract Reference	Our Lady's 106
Route Description	Dundee - Our Lady's Primary School
Number of Bids Received	6
Lowest Bid (Annual Cost)	£5,320.00
Highest Bid (Annual Cost)	£9,918.00
Accepted Bid (Annual Cost)	<b>£5,320.00</b>
Successful Tenderer	<b>Dave McIntosh Ltd</b>

Contract Reference	Our Lady's 108
Route Description	Dundee - Our Lady's Primary School
Number of Bids Received	6
Lowest Bid (Annual Cost)	£7,980.00
Highest Bid (Annual Cost)	£13,110.00
Accepted Bid (Annual Cost)	<b>£7,980.00</b>
Successful Tenderer	<b>Tay Taxis</b>

Contract Reference	Castlepark 109
Route Description	Dundee - Castlepark Centre
Number of Bids Received	7
Lowest Bid (Annual Cost)	£3,420.00
Highest Bid (Annual Cost)	£5,510.00
Accepted Bid (Annual Cost)	<b>£3,420.00</b>
Successful Tenderer	<b>Dundee 505050 Ltd</b>

Contract Reference	Hillside 111
Route Description	Dundee - Hillside Primary School
Number of Bids Received	8
Lowest Bid (Annual Cost)	£6,460.00
Highest Bid (Annual Cost)	£14,972.00
Accepted Bid (Annual Cost)	<b>£6,840.00</b>
Successful Tenderer	<b>Tele Taxis Dundee Ltd</b>

see note 1

Contract Reference	Young Mothers Unit 115
Route Description	Dundee - Young Mothers Unit
Number of Bids Received	6
Lowest Bid (Annual Cost)	£3,040.00
Highest Bid (Annual Cost)	£4,560.00
Accepted Bid (Annual Cost)	<b>£3,040.00</b>
Successful Tenderer	<b>Dundee 505050 Ltd</b>

Contract Reference	Kingspark 116
Route Description	Dundee - Kingspark School
Number of Bids Received	6
Lowest Bid (Annual Cost)	£9,310.00
Highest Bid (Annual Cost)	£18,810.00
Accepted Bid (Annual Cost)	<b>£9,310.00</b>
Successful Tenderer	<b>Skycabs Direct Ltd</b>

Contract Reference	Fintry 118
Route Description	Dundee - Fintry Primary School
Number of Bids Received	7
Lowest Bid (Annual Cost)	£6,840.00
Highest Bid (Annual Cost)	£11,590.00
Accepted Bid (Annual Cost)	<b>£6,840.00</b>
Successful Tenderer	<b>Gordon Davidson</b>

Contract Reference	Gowriehill 124
Route Description	Dundee - Gowriehill Primary School
Number of Bids Received	8
Lowest Bid (Annual Cost)	£6,080.00
Highest Bid (Annual Cost)	£14,060.00
Accepted Bid (Annual Cost)	<b>£6,080.00</b>
Successful Tenderer	<b>Tay Taxis</b>

Contract Reference	Lochee 125
Route Description	Dundee - Lochee Primary School
Number of Bids Received	2
Lowest Bid (Annual Cost)	£6,080.00
Highest Bid (Annual Cost)	£6,460.00
Accepted Bid (Annual Cost)	<b>£6,080.00</b>
Successful Tenderer	<b>Tay Taxis</b>

**Notes**

1. The vehicle offered by the lowest priced tenderer did not provide sufficient seating capacity.