

# WESTMINSTER CITY COUNCIL

## STATEMENT OF DECISION

### SUBJECT: DIRECT AWARD OF TRAVEL CARE CONTRACTS FOR CHILDREN AND ADULTS

Notice is hereby given that Cabinet Member for Young People, Learning and Leisure, Cabinet Member for Adult Social Care, Public Health and Voluntary Sector, Cabinet Member for Young People, Learning and Leisure, Cabinet Member for Adult Social Care, Public Health and Voluntary Sector, has made the following executive decision on the above mentioned subject for the reasons set out below.

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An direct award is required for the provision of transport for home to school travel care for children with special educational needs and vulnerable adults to day activities.  
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### Summary of Decision

#### 1. Recommendations:

##### For Children's Services:

- 1.1. That the Cabinet Member for Young People, Learning and Leisure approves the following recommendation:
- 1.2. To agree termination of the current call-off contract with HCT Operations for Lot 1B (Children's Services) and removal from the Minibus Framework as they have notified the Council that they have taken the decision to cease services from 26 August 2022.
- 1.3. To award Call Off contracts for Lot 1B (Children's Services) to HATS from 27<sup>th</sup> August 2022 until 31 August 2024 with an option to extend for up to a further 2 years to 31 August 2026 from the established Minibus Framework for the provision of travel care to SEND pupils for Home To School Travel Care. The contract values for these services are set out below:

Full Year Cost	Cost
Children's Services contract	£1,108,795

*Please note that the above contract value is based on current route data that was submitted. This may be subject to adjustment due to fluctuation in activity as it is a demand led service.*
- 1.4. To pay HCT Operations the one-off pro rata sum of up to £86,153 for the month of August to cover staff salaries and ensure that these staff transfer to the new provider.
- 1.5. To make a one-off mobilisation payment to HATS of £48,366 so that HATS is able to commence service delivery in time for the start of the academic year. This cost represents is a proportionate split of the total mobilisation cost where WCC uses 66% and RBKC uses 34%.

## For Adult Social Care

- 1.6. That the Cabinet Member for Adult Social Care, Public Health and Voluntary Sector approves the following recommendation:
- 1.7. To agree termination of the current call-off contract with HCT Operations for Lot 2 (Adult Social Care) and removal from the Minibus Framework as they have notified the Council that they have taken the decision to cease services from 26 August 2022.
- 1.8. To award Call Off contracts for Lot 2 (Adult Social Care) to HATS from 27<sup>th</sup> August 2022 until 31 August 2024 with an option to extend for up to a further 2 years to 31 August 2026 from the established Minibus Framework for the provision of travel care to vulnerable adults to and from day activities. The contract values for these services are set out below:

Full Year Cost	Cost
Adult Social Care contract	£250,396

*Please note that the above contract values are based on current route data that was submitted. This may be subject to adjustment due to fluctuation in activity as it is a demand led service.*

- 1.9. To make a one-off mobilisation payment to HATS of £3,840 so that HATS is able to commence service delivery in time for the start of the academic year. This cost represents is a proportionate split of the total mobilisation cost where WCC uses 66% and RBKC uses 34%.

## 2. Reasons for Decision

- 2.1. The reason to terminate the current contract with HCT Operations is that they have notified the Council that they are ceasing delivery of statutory services from 26 August 2022.
- 2.2. The reason for awarding services to HATS is that they are the next ranked provider on the Minibus Framework that was established in August 2019. The tender documents were purposefully designed with provision enabling the Council to Call off contracts from the next highest ranked providers list in the event of provider failure. HATS have been through the rigorous quality requirements to be awarded a place on the Framework. They are also currently a Council provider delivering minibus and taxi services across both boroughs. Therefore, the Council is assured that they will be able to deliver the service to the required standards.
- 2.3. We need provision in place to ensure these statutory services are mobilised and delivered by beginning of the new school term in September 2022. The reasons for the emergency direct award to HATS is because they have confirmed that they are willing to take on these services and have capacity to do so. We need to ensure staff transfer from HCT Operations to the new provider as early and quickly as possible. This will provide continuity of relationships between staff and parents and carers which is key to the success of the travel care service.

- 2.4. The one-off payment to HCT Operations of a pro rata sum for the month of August will ensure that staff receive salaries and that they can transfer to HATS swiftly. Children's Services currently pay for operational days and activity only. As such payments are processed on a 10 month basis and providers are not typically paid in August. Providers spread this income over 12 months to ensure that their staff are paid and rely on payments from September to the end of the financial year to cover August. However, as HCT Operations are ceasing operations on 26 August, they are seeking a one-off payment to cover staff salaries and transfer costs whilst ensuring they are solvent during this transfer period.
- 2.5. As part of HATS price submission, they have included a one-off mobilisation cost of £73,700 across both boroughs so that they can mobilise services in time for the start of the academic year. This will include transferring staff from HCT Operations to HATS; sourcing specialist vehicles and equipment; relocating fleets to newly assigned depots; establishing new routes with the Council; inducting staff and recruiting new staff; providing specialist training; undertaking DBS checks for staff; and working with the Council to communicate changes to schools and families.
- 2.6. The HATS mobilisation cost is split on a 34% / 66% which reflects the overall borough share of usage. RBKC uses 34% of the overall service while WCC uses 66% and this will be reflected in the one-off mobilisation cost.
- 2.7. The reason that there is an additional cost range for Children's Services and Adult Social Care is because the services are dynamic and the contracts need to allow some flexibility to allow for changes in activity. This is especially necessary given that pupils are still being enrolled to schools and may not have applied for specialist transport yet.

## **Reasons for Decision**

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**Publication Date:** 12 August 2022

**Implementation Date:**

**Reference:**