

WIRRAL COUNCIL

CABINET

17 MARCH 2011

SUBJECT:	<i>TRANSPORT</i>
WARD/S AFFECTED:	<i>ALL</i>
REPORT OF:	<i>HOWARD COOPER</i>
RESPONSIBLE PORTFOLIO HOLDER:	<i>COUNCILLOR BOB MOON</i>
KEY DECISION	YES

1.0 EXECUTIVE SUMMARY

- 1.1 This report seeks approval from Cabinet Members to extend temporary contracts awarded to private providers of transport for up to a further 6 months from March 2011 - July 2011 pending the procurement of permanent contracts.

2.0 RECOMMENDATION/S

- 2.1 To approve the extension of temporary transport contracts by up to 6 months from March 2011 – July 2011.

3.0 REASON FOR RECOMMENDATION/S

- 3.1 This will allow a full procurement process to take place which will award permanent contracts

4.0 BACKGROUND AND KEY ISSUES

- 4.1 The Strategic Change Team led a review of the Council's provision of transport during 2009.

The objectives of the review were to:

- Identify reductions in operational costs
- Develop a long term strategy for Transport provision across the Council.
- Investigate the potential impact of separating commissioning and provider functions.
- Support the objective of the local transport plan

- 4.2 The report proposing that the services should be amalgamated was due to go to Cabinet on 4 February 2010 but was withdrawn following a protest from UNISON claiming that there had been "*insufficient consultation*".
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- 4.3 On 22 February 2010 the proposal was re-introduced through the budget resolution, and agreed that an integrated unit, bringing like functions together, was beneficial to the Council.
- 4.4 As a result the integration of CYPD and DASS transport divisions took place on 6 April 2010 with a recommendation for technical services to join at a later date.
- 4.5 At the point of amalgamating adults and children's transport the fleet consisted of 28 buses. The leases on 6 of these vehicles were ceased at the point of transfer and the contracts to transport individuals were put out to tender.
- 4.6 The contracts were awarded for a 3 year period starting from 1 September 2010 with an optional 1 year extension available if required. The conditions of the contract included an option on both sides to terminate the contract by giving one months notice.
- 4.7 In January 2011 as a direct result of requests from staff to take early voluntary retirement/ severance the leases on a further 12 buses were terminated leaving a fleet of 10. This reduced the workforce from 42 Driver/ Attendant to 22 and 5 Transport Co-ordinators from 5 to 3.
- 4.8 Due to the timescales involved in allowing staff to leave the Council only temporary contracts were tendered and awarded. These contracts were awarded for a three month period only. These are due to cease at the end of March 2011.
- 4.9 A procurement exercise is underway to procure these contracts on a permanent basis however; as the procurement process is lengthy an extension to the temporary contracts is required for a period of up to 6 months.
- 4.10 Efficiencies were identified as a result of outsourcing these vehicles, these included:

In house fleet costs	Per month	Per year
Cost of 12 vehicles with fuel	£18,672.00	£224,064.00
Cost of 21 staff with 25% on costs	£35,332.00	£423,984.00
Cost of 2 Coordinators	£4,222.17	£50,666.00
Total Cost to transport for vehicles & staff	£58,226.17	£698,714.00
Cost of current temporary contracts		
Total cost of 12 vehicles and staff contracted out	£45,346.08	£544,153.00
Savings		
Total savings	£12,880.08	£154,561.00

4.11 There are currently 25 contracted providers offering services to both adults and children.

5.0 RELEVANT RISKS

5.1 Risk to adults and children if transport is not available.

6.0 OTHER OPTIONS CONSIDERED

6.1 There are no implications arising from this report.

7.0 CONSULTATION

7.1 Not applicable.

8.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS

8.1 There are no implications arising from this report.

9.0 RESOURCE IMPLICATIONS: FINANCIAL; IT; STAFFING; AND ASSETS

9.1 There are no implications arising from this report.

10.0 LEGAL IMPLICATIONS

10.1 There are no implications arising from this report.

11.0 EQUALITIES IMPLICATIONS

11.1 There are no implications arising from this report

12.0 CARBON REDUCTION IMPLICATIONS

12.1 There are no implications arising from this report

13.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS

13.1 There are no implications arising from this report

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APPENDICES

NONE

REFERENCE MATERIAL

Cabinet Report – Transport Review 14.01.2010

Cabinet Report – Summary of Tender Exercise – Transport – 22.07.2010

Transport Review – Technical Services – November 2008

Transport Review – DASS transport – October 2008

Transport Review – CYP SEN Transport Report August 2008

SUBJECT HISTORY (last 3 years)

Council Meeting	Date
Cabinet	14.01.2010
Cabinet	22.07.2010