

Cabinet

22 November 2012

Tender for a Taxi Transport Contract

Recommendations

- 1) That Cabinet approves proceeding with a tender for the provision of a taxi transport contract.
- 2) That Cabinet authorises the Strategic Director of Communities to enter into a contract for the provision of taxi transport and all subsequent call-off contracts, there under, on terms and conditions acceptable to the Strategic Director of Resources.

1.0 Background

- 1.1 The County Council currently spends circa £5.54 million a year on taxi provision (including mainstream and SEN home to school transport) transporting over 1300 children on more than 400 routes throughout Warwickshire, covering in-county and out-of-county requirements. This spend is on an on-going basis throughout the year with overall control of the budget held by People Group
- 1.2 In November 2008 Cabinet approved a taxi transport framework contract. This contract effectively produced an approved list of operators and allowed applications for individual tender rounds to be greatly simplified for both operators and the County Council, whilst ensuring correct approvals and authorities to proceed are in place.
- 1.3 The framework contract includes the provision for Warwickshire County Council to operate electronic auctions and/or electronic requests for quotes as a mechanism for obtaining prices. Since the framework contract has been in operation total savings from it are in excess of £800,000. This contract expires at the end of March 2013.

2.0 Options and Proposal

- 2.1 The most likely options are to deliver the transport in-house or to buy the service in from taxi operators throughout the county. The structure of the industry is such that large scale contracts with a single provider or a small number of providers are not feasible. Given the fluctuating costs of providing taxi services (e.g. fuel costs) a contract or framework which attempted to fix prices over a substantial period of time is not likely to be workable unless

prices were set at levels higher than can be achieved through a framework which regularly tests the market through individual tender rounds.

- 2.2 These options have been continually reviewed in recent years. The option to deliver in-house would be too expensive and impractical as no fleet of vehicles exists. The most efficient and cost-effective means of providing these services is through competitive tendering using external suppliers, most of which are small businesses based within Warwickshire.
- 2.3 The level of spend on taxi transport requires us to tender the provision in accordance with contract standing orders and EU procurement legislation. In order to maximise the efficiency of the contracting process, the proposal is to enter into a contract for a period of up to four years with provision for the County Council to conduct electronic auctions and/or electronic requests for quotes as a mechanism for obtaining prices under the contract.
- 2.4 As the County Council is participating in the sub-regional work stream the contract will be procured in a manner that will allow Coventry City Council, Solihull MBC and other Public Bodies to access the contract, therefore enabling procurement on a collaborative basis.

Background papers

None

	Name	Contact Information
Report Author	Richard Sweeney	richardsweeney@warwickshire.gov.uk Tel: 01926 412844
Head of Service	Graeme Fitton	01926 412046
Strategic Director	Monica Fogarty	01926 412514
Portfolio Holder	Cllr Peter Butlin	cllrbutlin@warwickshire.gov.uk