

**Report of: Strategic Investment Contracting & Procurement Lead**

**Report to: Director of Children's Services**

**Date: 1 Oct 2014**

**Subject: Buddy Requirements for Independent Travel Training**



Are specific electoral Wards affected? If relevant, name(s) of Ward(s):	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Is the decision eligible for Call-In?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, Access to Information Procedure Rule number: Appendix number:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

**1.0 Summary of main issues**

- 1.1 Children's Transport intends to maintain and further develop its existing offer of Independent Travel Training (ITT). The work is currently carried out by Leeds Alternative Travel (LAT) who has a contract to supply 20 Buddies for this purpose. In addition, Children's Transport has recently completed a significant scaling-up of ITT by recruiting additional internal Assessment Officers and Co-ordinators. This was managed step by step with LAT, whereby they were initially awarded a second contract to provide up to 10 additional Buddies until the end of December 2014. At the time the second contract was issued it was planned that commissioning for 40 Buddies would commence during 2014.
- 1.2 The Children & Families Act was enacted in 2014. As the mechanics of how this would be implemented in Leeds unfolded during 2014, Children's Transport identified a way to improve the way that the Buddy contract is specified. This has implications for the commissioning of a new Buddy contract. Analysis has commenced to determine the likely number of potential entrants to the scheme each year, which will allow future contracts to be specified in terms of the number of young people to be trained each year, rather than the number of Buddies required. This will achieve greater efficiencies in the work, which in turn will assist with reducing spending.
- 1.3 Also during 2014, Children's Transport began working with Adults Social Care (ASC) to assist in preparing a pilot ITT project for young adults attending day centres. This will involve Children's Transport providing ASC with expert

consultative guidance in setting up a scheme, and adding some capacity to the Buddy contract to make it available to ASC.

- 1.4 At this time it isn't possible to be precise about longer-term Buddy contract demands until Children's Transport has finished analysing applications for transport assistance from high school entrants; evaluating the impact of forthcoming Education, Health & Care Plans, and assessing and establishing the level of likely demand from ASC.
- 1.5 It is therefore proposed that the original contract with LAT, for the provision of 20 Buddies, due to expire on 31 April 2015, is extended by eleven months, utilising the provision for this contained in the contract.
- 1.6 It is also proposed that the second contract for 10 Buddies is allowed to lapse and replaced with a contract for 20 Buddies until 31 March 2016. In doing so Children's Transport will provide clear Buddy capacity for the next year pending an evaluation of the likely number of future referrals, and the preparation of an improved contract specification arising from that detailed analysis. This would also provide capacity for the new pilot project with ASC.
- 1.7 There is no other known provider of Buddy services currently in a position to enter the market, and so steps will be taken to stimulate the market to increase competition. This will include the facilitation of workshops outlining the work and further detail about the contract specification when this has been prepared. Potential contractors will be identified through marketing the workshops via voluntary sector networks, and the agencies will be provided with appropriate guidance around the council commissioning processes.
- 1.8 LAT has requested an uplift of 2% with effect from April 2015 and have advised they would pursue the option of retendering, rather than extension, if this was not awarded. It is proposed, therefore, that this is agreed, given there are no other known providers in the market at this time. This would cost Children's Transport an additional £174 per Buddy per year and is considered value for money.

## **2.0 Recommendations**

The Director of Children's Services is recommended to approve the waiver of the following Contracts Procedure Rule(s):

*Contracts Procedure Rules No 9.1 and 9.2 – High Value Procurements*

To enter into a new contract with LAT for the provision of up to 20 buddies to a maximum value of £255,000 for the period 1<sup>st</sup> November 2014 to 31<sup>st</sup> March 2016

The Director is also recommended to approve the extension of the existing original contract with LAT for the provision of 20 Buddies, due to expire on 31 April 2015, by eleven months, utilising the provision for this contained in the contract. The value of this extension is £185,000

## **1 Purpose of this report**

- 1.1 The purpose of this report is to make the Director fully aware of recent and current developments around the provision of ITT by Children's Transport, and to seek

approval to vary an existing contract and also enter into a new second contract with LAT in order to maintain an appropriate number of Buddies available to the service. In the meantime a detailed review of longer-term Buddy need will be completed. This will allow Children's Transport an opportunity to exploit recent learning about the implementation of the Children & Families Act by completing a detailed analysis of the number of young people likely to enter the scheme in future. In addition, this will provide further capacity for the provision of Buddies to be deployed by colleagues in Adults Social Care (on a rechargeable basis) during a pilot project.

## **2 Background information**

- 2.1 Children's Transport awarded a contract for the provision of 20 Travel Buddies to LAT in May 2012. The ITT scheme proved itself to be a valuable invest to save opportunity, whilst improving outcomes for young people. An expansion of the contract was approved and in January 2014 an additional contract with LAT was awarded for 10 buddies, for 12 months. Simultaneously, Children's Transport began recruiting additional Assessment Officers and Co-ordinators in order to increase capacity to identify suitable referrals to the scheme.
- 2.2 Children's Transport completed the internal recruitment exercise in June 2014 and up until that point LAT has maintained an appropriate balance of Buddies to meet the demands of the service. It is now opportune to undertake a detailed review of expected future demand in order to effectively specify the next contract for this work.

## **3 Main issues**

### **3.1 Reason for Contracts Procedure Rules Waiver**

- 3.1.1 Children's Transport proposes that we move away from the hitherto process of specifying the number of Buddies needed, and instead commission future contracts on the basis of the number of learners likely to be entered into the scheme. It is felt that this will incentivise whoever provides Buddies in the future to work as efficiently as possible. This is because it is currently the case that during times of reduced demand there is a potential incentive for the Buddy provider to prolong the training of individual learners in order to keep Buddies employed. At other times it can be difficult for the provider to efficiently match Buddies to learners. By tendering for a stipulated number of learners it will assist a provider to plan their work more effectively and to deliver their service more efficiently.
- 3.1.2 Children's Transport is also currently in discussions with ASC to run a pilot ITT project with young adults attending day centres. Children's Transport will provide support in establishing the pilot project and make Buddies available to ASC via additional contract capacity with LAT. In doing so ASC hope to achieve a similar 'invest to save' result and in the process improve the independence of service users.
- 3.1.3 A successful pilot scheme would have an impact on future tendering of this work, as it would very likely alter the way work is delivered. For example, Buddies are currently mainly employed by LAT to work during 'school run' hours only. The workforce is therefore part time with Buddies contracted typically for 16 hours per

week. This contributes to a high level of staff turnover. The successful implementation of ITT by ASC would increase demand for Buddies during the day, and thus increase the number of hours worked by Buddies, whilst reducing *pro-rata* the number of Buddies needed. This would enable more efficient deployment of resources, and lead to an increasingly skilled & professionalised workforce with less turnover. It is also expected that the quality of provision would also improve. It is not possible to predict the likely take-up and success rate of this project, so it is not possible at this time to factor the pilot scheme into a new specification. Buddies are only deployed by Children's Transport where it results in a net saving to the council, and ASC have been advised to prioritise potential candidates in the same way. Experience gained through the pilot will enable ASC to begin forecasting the potential long-term financial benefits.

- 3.1.4 There is currently provision in place for 30 Buddies until the end of December 2014, at which point it reduces to 20 Buddies until April 29<sup>th</sup> 2015. Whilst there is capacity to meet immediate demand, Children's Transport recognises the timescales involved in commissioning processes. There is the additional need to determine an improved contract specification but this could not be achieved in time to start a new commissioning process that would conclude before current contract arrangements expire.
- 3.1.5 Children's Transport is therefore seeking to ensure that medium term demand can continue to be met. Once a detailed analysis of the expected number of referrals from Children's Services has been completed, and an opportunity to evaluate the longer-term viability of extending ITT to ASC has been taken, a new commissioning exercise will be undertaken, with a view to a single new contract being awarded to commence in May 2016. This will include an improved contract specification resulting from the detailed analysis of anticipated future referrals from both Children's Services and Adults Social Care, which will achieve better value and improved quality.
- 3.1.6 ITT participants are currently identified through a range of networks and contacts. However, this proves to be somewhat ad hoc and participants who have entered the scheme could often have entered it some years earlier. The local implementation of Education, Health and Care Plans (EHC's) featured in the Children & Families Act presents Children's Transport with an opportunity to be more precise in not only identifying all potential learners, but also to enter them into the scheme at the right time. This information will be central to future contract specification, and ensure that the fullest possible level of savings can be achieved through this scheme.
- 3.1.7 It is therefore recommended to extend the original contract for 20 Buddies with LAT for 11 months in line with the provisions contained that contract. The cost of this would be approximately £185,000 but the net effect would continue to be a saving as the work removes spending on long term bespoke transport assistance.
- 3.1.8 It is also recommended to award a further new contract for up to 20 additional Buddies to LAT for 17 months in order to meet an increased need for Buddies arising from an expansion of the scheme during 2014, and to meet further need arising from a pilot project being prepared by ASC. The maximum cost of this, if

fully utilized, would be £255,000 but the net effect would be a saving as any buddies used would be working to remove young people and young adults from long term bespoke transport assistance.

- 3.1.9 LAT has demonstrated a strong ability to meet the needs of young people and there is no other provider currently known to us.

### **3.2 Consequences if the proposed action is not approved**

- 3.2.1 If the original contract is not renewed, and an additional contract also not awarded, there would be disruption to the current service from the time when current contract arrangements expire until a full tendering exercise could be completed. Children's services would be required to maintain the provision of long-term bespoke transport assistance. The cost of bespoke transport assistance is significantly in excess of the investment in the proposed contract arrangements. Whilst immediate re-tendering for the work would shorten any period of disruption, it would prevent Children's Transport from factoring in the results of detailed forward planning currently being undertaken, and the results of the pilot scheme with ASC. This would be a risk to further savings, improvements in quality and our aim to be increasingly enterprising.

### **3.3 Advertising**

- 3.3.1 When the contract was originally tendered in March 2012 Leeds Alternative Travel were the only bidders and since the award they have supported the council throughout by effectively managing the contract and working with the council to meet the demand. It is partly due to their commitment that the contract has proved so successful.
- 3.3.2 There are no other providers of ITT buddy services known to Children's Transport. However, as part of future commissioning a soft market test will be undertaken and consultation will take place with the broader Voluntary, Community & Faith Sector (VCFS) with a view to stimulating the market and thus introduce competition.
- 3.3.3 Leeds Alternative Travel currently has the infrastructure to support the council and to provide the additional buddies required, and during 2014/15 an improved contract specification will be developed.
- 3.3.4 Upon the extension of the existing contract and the award of the new contract a voluntary transparency notice will be placed in the Official Journal of the European Union (OJEU) to ensure the council meets its transparency obligations under the public contracts regulations.

## **4.0 Corporate Considerations**

### **4.1 Consultation and Engagement**

4.1.1 Children's services have responded to interest from parents and carers who wish to encourage their children to travel independently, this has contributed to maintaining the increase in demand.

## **4.2 Equality and Diversity / Cohesion and Integration**

4.2.1 An Equality, Diversity, Cohesion and Integration screening document was completed for the initial contract; that assessment remains current and can be found at appendix 1.

## **4.3 Council Policies and City Priorities**

4.3.1 The project will contribute to the Children and Young People's Plan priorities to:

- Ensure CYP Do well at all levels of learning and have the skills for life through supporting children to be ready for learning and improving support where there are additional health needs
- Ensure CYP Choose healthy lifestyles through encouraging activity

4.3.2. The project will continue to support the Best Council Plan objective to become a Child Friendly city and the Delivery of Better Lives programme - helping local people with care and support needs to enjoy better lives.

4.3.3. Maintaining and broadening the scope of the programme will promote sustainable and inclusive economic growth by increasing the employability of young people and young adults with SEND, thus improving the economic wellbeing of local people.

4.3.4. Working with ASC in the preparation of a pilot scheme will support the objective of becoming an efficient and enterprising council through encouraging an enterprising culture & behaviours, developing a flexible workforce.

## **4.4 Resources and Value for Money**

4.4.1 The scheme will not detract from other savings being pursued by Children's Transport as part of the current budget strategy. The proposals are in line with doing everything to increase the speed of what we are currently doing in order to meet the budget short-falls contained in the current action plans.

4.4.2 For every buddy we have in post the full year effect is £25k in savings, with each buddy currently costing approximately £10k per year. This therefore represents a net benefit per buddy per year of approximately £15k. The additional savings that will be generated in 2015/16 as a result of work in the latter part of 2014/15 will be approx £180k, and in 2015/16 there will be a further net £300k savings, assuming that double the number of current buddies continue to be fully operational.

4.4.2 There will be a continued outlay of £185,000 pa to extend the existing contract for 20 Buddies with LAT (30<sup>th</sup> April 2015 to 31<sup>st</sup> March 2016).

- 4.4.2 There will be a maximum additional outlay of up to £255,000 for up to 20 extra Buddies (1<sup>st</sup> Nov 2014 to 31<sup>st</sup> March 2016). The exact figure is contingent on the level of demand for additional Buddies arising from the pilot scheme with ASC and the results of analysis around anticipated future referrals from Children's Services.
- 4.4.3 There will be immediate and long term savings arising from a reduction in costs as service users become independent and they no longer rely on the council to provide bespoke transport assistance.

#### **4.5 Legal Implications, Access to Information and Call In**

- 4.5.1 This decision is subject to call-in and as such has been registered on the forward plan of key decisions.
- 4.5.2 It is not possible to vary the scope of the existing contract for 20 Buddies with Leeds Alternative Travel to cover the maximum potential additional requirements as to do so would effectively represent a material change to the contract such that a new tendering exercise should be undertaken. It is therefore proposed that the existing contract for 20 Buddies be extended until 31 March 2016 as provided for in the contract.
- 4.5.3 Simultaneously, as it is not possible to vary the existing contract to sufficiently meet the maximum potential demand without subjecting the whole contract to competitive tender, and due to the fact that Leeds Alternative Travel appear to be the only contractor in the market providing this type of service, it is proposed that the additional need is met by awarding a second contract for up to 20 further Buddies direct to LAT on the same terms.
- 4.5.4 Awarding a new contract directly to Leeds Alternative Travel in this way could leave the Council open to a potential claim from other providers, to whom this contract could be of interest, that it has not been wholly transparent. In terms of transparency it should be noted that European case law suggests that contracts of this value should be subject to a degree of advertising. In giving the work to LAT without competition there is a risk of challenge from other potential providers who have not been given the chance to tender for this opportunity.
- 4.5.5 However, it is believed Leeds Alternative Travel appear to be the only contractor in the market providing this type of service, and due to the fact that steps will be taken to stimulate the market, it may be considered that the risk of challenge in these circumstances is low. LAT were the only bidders when the original Buddy contract was first tendered two years ago.
- 4.5.6 Although there is no overriding legal obstacle preventing the waiver of CPR 9.2, the above comments should be noted. In making their final decision, the Chief Officer should be satisfied that the course of action chosen represents best value for money for the Council.

#### **4.6 Risk Management**

- 4.6.1 Risks related to any decision not to approve the recommended contract arrangements would be:

- **Equality and Diversity:** there would be a risk of service disruption to young people who are currently scheduled to be referred to ITT and to young adults who would be referred to the scheme in the near future.
- **Financial:** there would be a disruption to the scheme in terms of meeting savings targets.

## **5 Conclusions**

- 5.1 The contract for the supply of Independent Travel buddies by LAT has proved very successful.
- 5.2 There is an excellent opportunity for ASC to replicate the work.
- 5.3 Children's Transport has recently successfully completed recruitment to scale up the ITT scheme.
- 5.4 As existing contract arrangements approach expiry, an understanding of the need to improve the way contracts are specified at the tendering stage has evolved. This needs to be outcome focused.
- 5.5 The original contract for 20 Buddies is due to expire in April 2015, and temporary provisions put in place for an additional 10 Buddies expire in December this year.
- 5.6 Current contract arrangements will expire before sufficient time has elapsed to allow the appropriate analyses to be completed that will underpin future contract specifications.
- 5.7 The current provider, LAT, is currently the only known provider in the market, and was the only agency to bid when the contract was first tendered.
- 5.8 These reasons lead to a recommendation that the original contract with LAT for 20 Buddies is extended for 11 months, and that an additional new contract for up to 20 further Buddies is awarded to meet additional expected demand.

## **6 Recommendations**

- 6.1 The Director of Children's Services is recommended to approve the waiver of the following Contracts Procedure Rule(s):

### *Contracts Procedure Rules No 9.1 and 9.2 – High Value Procurements*

To enter into a new contract with LAT for the provision of up to 20 buddies to a maximum value of £255,000 for the period 1<sup>st</sup> November 2014 to 31<sup>st</sup> March 2016

- 6.2 The Director is also recommended to approve the extension of the existing original contract with LAT for the provision of 20 Buddies, due to expire on 31 April 2015, by eleven months, utilising the provision for this contained in the contract. The value of this extension is £185,000.



## **7 Background documents<sup>1</sup>**

7. None

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<sup>1</sup> The background documents listed in this section are available to download from the Council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.

## Equality, Diversity, Cohesion and Integration Screening



As a public authority we need to ensure that all our strategies, policies, service and functions, both current and proposed have given proper consideration to equality, diversity, cohesion and integration.

A **screening** process can help judge relevance and provides a record of both the **process** and **decision**. Screening should be a short, sharp exercise that determines relevance for all new and revised strategies, policies, services and functions. Completed at the earliest opportunity it will help to determine:

- the relevance of proposals and decisions to equality, diversity, cohesion and integration.
- whether or not equality, diversity, cohesion and integration is being/has already been considered, and
- whether or not it is necessary to carry out an impact assessment.

<b>Directorate:</b> Resources on behalf of Children's service	<b>Service area:</b> Passenger transport on behalf of Children's School access service.
<b>Lead person:</b> Julie Hatton Allan Hudson	<b>Contact number:</b> 3781821 2475593

<p><b>1. Title:</b> Contract for the provision of Independent travel buddies to support young people from home to various establishments.</p>
<p>Is this a:</p> <p> <input type="checkbox"/> <b>Strategy / Policy</b> <input checked="" type="checkbox"/> <b>Service / Function</b> <input type="checkbox"/> <b>Other</b> </p> <p><b>If other, please specify</b></p>

<p><b>2. Please provide a brief description of what you are screening</b></p> <p>A contract is to be let and awarded for the supply of independent travel buddies who will support young people with Special Educational Needs (SEN) and adults with learning difficulties so that after initial training they are able and confident to travel independently.</p>
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### 3. Relevance to equality, diversity, cohesion and integration

All the council's strategies/policies, services/functions affect service users, employees or the wider community – city wide or more local. These will also have a greater/lesser relevance to equality, diversity, cohesion and integration.

The following questions will help you to identify how relevant your proposals are.

When considering these questions think about age, carers, disability, gender reassignment, race, religion or belief, sex, sexual orientation and any other relevant characteristics (for example socio-economic status, social class, income, unemployment, residential location or family background and education or skills levels).

Questions	Yes	No
Is there an existing or likely differential impact for the different equality characteristics?	√	
Have there been or likely to be any public concerns about the policy or proposal?		√
Could the proposal affect how our services, commissioning or procurement activities are organised, provided, located and by whom?		√
Could the proposal affect our workforce or employment practices?		√
Does the proposal involve or will it have an impact on <ul style="list-style-type: none"><li>• Eliminating unlawful discrimination, victimisation and harassment</li><li>• Advancing equality of opportunity</li><li>• Fostering good relations</li></ul>	√ Advancing equality of opportunity	

If you have answered **no** to the questions above please complete **sections 6 and 7**

If you have answered **yes** to any of the above and;

- Believe you have already considered the impact on equality, diversity, cohesion and integration within your proposal please go to **section 4**.
- Are not already considering the impact on equality, diversity, cohesion and integration within your proposal please go to **section 5**.

**4. Considering the impact on equality, diversity, cohesion and integration**

If you can demonstrate you have considered how your proposals impact on equality, diversity, cohesion and integration you have carried out an impact assessment.

Please provide specific details for all three areas below (use the prompts for guidance).

**• How have you considered equality, diversity, cohesion and integration?**  
(**think about** the scope of the proposal, who is likely to be affected, equality related information, gaps in information and plans to address, consultation and engagement activities (taken place or planned) with those likely to be affected)

Following meetings and discussions with young people with respect to their individual travel assessment needs, Children’s services identified in 2010 that the authority was not meeting their needs appropriately; it was assumed that a taxi / private hire transport service was required, when in fact the young people wanted and were able, after some initial training and support, to travel independently.

A pilot was established in 2011 to determine the need, impact , benefits and volume. All of which have exceeded original expectations; in fact there is a waiting list of young people requiring a travel buddy.

Once let the contract will include appropriate terms and conditions which will ensure effective monitoring of the buddies; their own training provided, the CRB checks, and safeguarding issues. This will be monitored by Children’s services.

**• Key findings**  
(**think about** any potential positive and negative impact on different equality characteristics, potential to promote strong and positive relationships between groups, potential to bring groups/communities into increased contact with each other, perception that the proposal could benefit one group at the expense of another)

Positive impact will be an increase in travel opportunities for young people with SEN, or adults with learning difficulties will lead to greater social interaction with all community groups.

**• Actions**  
(**think about** how you will promote positive impact and remove/ reduce negative impact)

This will be achieved through the monitoring and reviewing of the individual customers , the contract, and the service as a whole.

<b>5. If you are not already considering the impact on equality, diversity, cohesion and integration you will need to carry out an impact assessment.</b>	
Date to scope and plan your impact assessment:	
Date to complete your impact assessment	
Lead person for your impact assessment (Include name and job title)	

<b>6. Governance, ownership and approval</b>		
Please state here who has approved the actions and outcomes of the screening		
<b>Name</b>	<b>Job title</b>	<b>Date</b>
Julie Hatton	Head of Passenger Transport.	25.11.11
Allan Hudson	Children's Transport Senior Contract Manager	

<b>7. Publishing</b>	
This screening document will act as evidence that due regard to equality and diversity has been given. If you are not carrying out an independent impact assessment the screening document will need to be published.	
Please send a copy to the Equality Team for publishing	
<b>Date screening completed</b>	25 <sup>th</sup> November 2011
<b>Date sent to Equality Team</b>	28 <sup>th</sup> November 2011
<b>Date published</b> (To be completed by the Equality Team)	