

COVID19 supplier relief Payments

Due to the outbreak of COVID19 almost all of the transport taking SEN pupils to school and vulnerable Adults to day centres and other various external locations stopped due to the lockdown. There is only a fraction of the normal transport operating now both internally and externally.

In line with a government published Procurement Policy Note (PPN 02/20), NCC agreed to pay 85% of contracted costs of transport supplied by external operators. This note covered the period April to June 2020 and resulted in payments totalling £458,708.24.

Government has published a new Procurement Policy Note (PPN 04/20) to consider whether local authorities continue to pay contractors. It leaves this decision more with NCC to decide.

SEN transport

The school's transport (SEN) is due to end on 24th July as per normal, with a few routes already having finished. To continue to pay the 85% of contracted costs for July currently stands at £89,759.41 (this could alter slightly as we are still seeing an increase of number attending school).

During August the schools routes are redesigned due to the cohorts of pupils leaving and joining and routes are retendered where required. After consultation with SEN HoS Janine Walker it is recommended to continue to pay this 85% for July for continuity reasons for the pupils and also because Nottinghamshire County Council has agreed to pay as well. From September there is a possibility that there will be an increase in the need for transport due to social distancing requirements on vehicle that would be able to be met with current numbers per vehicle.

Adult Transport

Currently there is not the same high demand for transport as most is done by the in house fleet and smaller numbers than SEN. Currently the cost per week of this transport at 85% of the contracted price is £6,910.50 per week. Adults operate on a 52 weeks a year basis on average with 49 for internal day centres. Having liaised with Paul Haigh HoS Adult Social Care Provision, he doesn't envisage our centres opening fully until possibly November. There are plans for some respite for vulnerable citizens which can be met still by the internal fleet. I have also liaised with Karla Banfield from Adults Commissioning & Procurement who has informed me that external providers are trying to open up services but at much reduced numbers.

In view of this it is recommended to give 14 days' notice (as per contract) to end all adults runs as soon as the DDM is authorised. The rationale behind this is as follows:

1. Due to reduced numbers the size of transport currently contracted may not be needed as routes would be different.
2. Not knowing when services would return would cost up to £124,389 to November.
3. Services may not return as they did so at the end of the supplier payments we could end the transport.
4. Reduced number means that more could be taken on by internal fleet, especially while our centres closed.
5. There is a likelihood that increased SEN transport would be needed initially so lost routes for Adults could be replaced by extra SEN one to replace lost income.
6. Theoretically suppliers could be paid 85% for a run not operating and take on a new SEN route and get paid twice. (I am not saying that it would happen but it is a risk)

I do not believe any businesses will cease trading by losing this small amount of money. We have already supported them with £460k and no companies have shown any serious concern regarding the lack of income although it is affecting them.

This would affect 9 companies, of which 5 only have payments of £200-400 per week. Three are low to middle £1000 and the largest payment is to Nottingham's largest taxi firm of around £2000.

SEN is already showing the need for extra routes - not necessarily because of COVID but number of pupils is up at two of the main schools. This gives these companies extra income.

Also as the smaller number of adults start returning we will be putting this work out for tender again.

Given the two weeks' notice period we need to give to end these routes there will only actually be 2 weeks when they won't receive any money for NCC. They still have the £1.6m worth of SEN business resuming again in September.

When Adults does eventually resume fully I still believe that there will be enough companies competing for this work - I have 9 years' experience with these companies and I am confident.

As a safety precaution, if any company does find that this would cause them serious hardship then they could still approach us, with an open book (and supporting evidence) then we could still make a payment. Payment authority could be delegated to Terry Dafter to avoid the lengthy time taken for DDM authority.

Recommendations:

1. Continue to pay SEN contracted routes until they end 24/7/20 at 85%. Total payment £89,754.41. Current budget saving of £15,839
2. End all current Adults contracts, providing 14 days contractual notice at a cost of £48,373 at 85% saving £8,130 per week thereafter.

Norman England

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Amended 31st July 2020