

NHS Board Meeting
Tuesday, 18 August 2009



Board Paper No. 09/44

NHS Greater Glasgow and Clyde – Award of Contract

Recommendation

The NHS Board is asked to approve the award of the contract for taxi services for Greater Glasgow to Network Private Hire Limited.

1 Introduction

The purpose of this paper is

1. to provide a briefing on the competitive tendering process followed to secure the provision of taxi services within the Greater Glasgow area of NHS Greater Glasgow and Clyde and
2. to recommend the award of a contract for taxi services within the Greater Glasgow area of NHS Greater Glasgow and Clyde to Spring Radio Cars Ltd (trading as Network Private Hire Ltd) on completion of this competitive tendering process and explain the basis on which this recommendation is made.

2 Background

- 2.1 NHSGGC has a requirement for taxi services to transport staff, patients, records, samples and equipment between sites. In addition, transport is required for patients attending evening dialysis sessions at Gartnavel General Hospital and Glasgow Royal Infirmary. These services were previously delivered under a number of separate contracts. On expiry of these contracts, there was an opportunity to rationalise the provision of taxi services and achieve economies of scale. As existing contracts were already in place within the Clyde area of NHSGGC, taxi services were required for the Greater Glasgow area only.
- 2.2 The aggregate annual value of taxi services for the Greater Glasgow area is approximately £2m and as European Union tendering regulations apply to contracts with a value in excess of £92k, the NHS Board is obliged to follow the European Union (OJEU) tendering process. Tenders were therefore sought in 2 lots:-

EMBARGOED UNTIL MEETING

Lot 1 – Taxi services. (This involves approximately 98% of the services required. 20% of these journeys require the use of facility cabs which is the term used to describe vehicles which are able to transport wheel chair users.)

Lot 2 – Patient transport services for Evening Dialysis Sessions (representing approximately 2% of the total service required.)

3 Overview of tender process

- 3.1 A project team was established to oversee the tendering process including procurement staff, finance staff and service users (e.g. site facility managers, clinical service managers).
- 3.2 The European Union (EU) tendering regulations allow for a number of different tendering procedures but in each case, the process to be followed and the time to be allowed for each stage of the process, are strictly specified. NHS GGC normally adopts the “Restricted Procedure” which is a two stage process, stage 1 being the selection of companies from all those who expressed an interest in being invited to tender, while stage 2 is the tender process itself. The “Restricted Procedure” was used in this case.
- 3.3 The process began on 15 February 2008 with the publication of a notice in the Official Journal of the EU seeking expressions of interest. On completion of the various stages of the process, tenders were received and evaluated by the project team. As required by the EU regulations, the tenders were evaluated against the award criteria which were defined within the tender documentation issued to all bidders. These criteria (with weightings) were cost (40%), service and delivery (40%), quality (15%) and equality and diversity (5%).
- 3.4 Spring Radio Cars Ltd trading as Network Private Hire Ltd (NPH) submitted a well structured and well thought out tender response and scored highly in all areas. Furthermore, the information supplied to demonstrate how NPH would deliver the service was of a high standard with all drivers servicing the NHS Board’s contract having received enhanced disclosure checks. The outcome of the evaluation was that the bids for both Lot 1 and Lot 2 from NPH received the highest scores against the stated award criteria.

4 Background to Network Private Hire Ltd (NPH)

- 4.1 In their response to the invitation to tender, NPH stated they had a fleet of 750 vehicles and stated a commitment to purchase a further 56 vehicles to function as facility cabs. NPH are part of the Network Group who state in their website they are the largest private hire company in Scotland and to have a number of public bodies as customers including the BBC and Glasgow City Council. As part of

EMBARGOED UNTIL MEETING

competitive tendering process, references are required and in case of NPH, one of these was provided by Glasgow City Council.

5 Standstill Period

- 5.1 EU regulations require that there is a standstill period (minimum 10 calendar days) between notifying tenderers of the contract award decision and entering into a contractually binding agreement with the successful tenderer. This standstill period is intended to allow unsuccessful bidders to query or, if appropriate, challenge the award decision.
- 5.2 In this case, a standstill letter was issued to all tenderers on 16 January 2009. Since then, a number of challenges have been made to the proposed award of a contract to NPH.
- 5.3 Consideration of these matters has taken considerable time and, to date, prevented the award of a contract to NPH. Thorough and extensive investigations have been carried out in respect of those matters which has included obtaining legal advice and seeking the Opinion of Junior and Senior Counsel. The stage has been reached where it is reasonable to conclude that the matters raised in the challenges have been resolved.

6 Recommendation

The NHS Board is asked to approve the award of the contract for taxi services for Greater Glasgow to Network Private Hire Limited.