

ITEM 11

TENDER T18/49 - PROVISION OF TRANSPORT VIA TAXI VOUCHERS AND/OR ANY OTHER TYPE OF SUBSIDISED TRANSPORT TO COUNCIL

This report recommends acceptance of a tenderer for delivery of subsidised community transport services, on behalf of Council's Community Services business unit, in accordance with the requirements of the Local Government Act 1993 and the Local Government (General) Regulation 2005.

## RECOMMENDATION

- 1 In accordance with clause 178(1)(a) of the Local Government (General) Regulation 2005, Council accept the tender of Radio Cabs of Wollongong Cooperative Society Ltd, trading as Illawarra Taxi Network.
- 2 Council delegate to the General Manager the authority to finalise and execute the contract and any other documentation required to give effect to this resolution.
- 3 Council grant authority for the use of the Common Seal of Council on the contract and any other documentation, should it be required, to give effect to this resolution.

## REPORT AUTHORISATIONS

Report of: Jenny Thompson, Manager Library and Community Services

Authorised by: Kerry Hunt, Director Community Services - Creative and Innovative City

## ATTACHMENTS

- 1 T18/49 - Tender Assessment Panel Declaration

## BACKGROUND

Wollongong City Council's community transport service: *Community Transport: Wollongong – Shellharbour (CTWS)*, receives funding from Transport for New South Wales (TfNSW), under the Commonwealth Home Support Program (CHSP) and the Community Transport Program (CTP), to provide community transport services to eligible consumers. Council's current funding agreement with TfNSW is due to expire on 30 June 2020, however, based on experience to date, there is a possibility that this may be extended.

Community transport services are available to people aged over 65 years and their carers and to those members of the community who are assessed as 'transport disadvantaged'. These services have been auspiced by Wollongong City Council for more than 20 years and they are currently delivered across the Wollongong and Shellharbour Local Government Areas (LGAs), from Austinmer in the north to Dunmore in the south.

The provision of vouchers, to enable subsidised, independent travel on a '24/7' basis is a core element of the community transport program, which complements other aspects of the program that are delivered by volunteer drivers. The '24/7' service has been delivered via a 'Taxi Voucher' scheme, since 2006. Under this scheme, consumers are issued with a fixed allocation of vouchers on a monthly or quarterly basis, which they expend on taxi travel as they choose. Consumers supplement their travel subsidy with a 'client contribution', which is expected to equate to 15% of the cost of their travel, in line with the requirements of the funding agreement.

CTWS issues an average of 76,000 vouchers per year (6,400 per month) and the number is projected to increase due to escalating demand. Currently physical vouchers are issued and processed manually. However, the introduction of an automated system based on consumer 'swipe cards' is being planned. It is anticipated that this innovation will lead to more efficient service delivery and the collection of accurate data regarding each trip, as well as minimise administration costs.

Given this planned service development, the tender included the expectation that the successful provider will have the capacity and willingness to progress to a suitable automated system.

This is the first time that Council has called for tenders for the provision of subsidised, voucher- (or other) based individual community transport services. Historically, the procurement process for this service has been addressed via an 'exemption from procurement', whereby Council has authorised Wollongong Radio Cabs (now Illawarra Taxi Network) to be contracted, on the basis that they were the sole provider of flexible, independent, individual transport services in the LGA.

Council's existing contract with Wollongong Radio Cabs commenced 1 February 2017 and expired on 30 June 2018 and a variation to extend the contract will expire in March 2019. The contract ran for a limited period as Council's funding agreement with TfNSW was itself due to expire on 30 June 2018. The contract extension enabled continuation of service delivery while awaiting advice from TfNSW about the future of program funding. Council's CTWS is now funded to deliver services until 30 June 2020.

Recent changes in the transport industry, including the introduction of 'Point 2 Point Transport' legislation and the opening up of a more competitive market, indicated that it would be prudent to verify if there were other providers available to deliver a subsidised, voucher- (or other) based, individual community transport service. The decision was made, therefore, to test the market by calling for tenders to engage a single contractor or establish a panel of contractors for the provision of this service on behalf of Council.

This would ensure compliance with Council's procurement process in line with Section 55 of the Local Government Act 1993, as the estimated cumulative amount of funding allocated for this service is approximately \$650,000 over the term of the contract. It is anticipated that the term of the contract will initially be up until 30 June 2020, but is open to variation, subject to further extension of Council's funding agreement with TfNSW.

Tenders were invited for delivery of this service, by the open tender method, with a close of tenders of 10 am on 19 February 2019.

Only one tender was received by the close of tender. It has been scrutinised and assessed by a Tender Assessment Panel constituted in accordance with Council's Procurement Policies and Procedures and comprising representatives of the Library and Community Services, Property and Recreation, Finance, Governance and Customer Services Divisions.

The Tender Assessment Panel assessed all tenders in accordance with the following assessment criteria and weightings as set out in the formal tender documents:

**Mandatory Criteria (Criteria that must be satisfied for a tender to be evaluated)**

Criteria	
Compliance	Comply with Point to Point Regulation 2017
Fleet capacity	Tenders need to confirm that they have fleet capacity to undertake the service
Financial capacity	Tenderers may be required to provide information required by an independent financial assessment provider engaged by Council. Council will review and determine whether such financial assessment is acceptable to Council and demonstrates the tenderer's financial capacity to undertake the works
Referees	Provision of satisfactory references from referees for previous service/project of similar scope and size

## Assessable Criteria and Weightings

### Criteria

Cost to Council	20%
Experience in the provision of transport services to frail aged consumers	20%
Staff accreditation and experience	20%
Demonstrated WHS management including vehicle safety	20%
Demonstrated ability to undertake timely reporting, financial administrative tasks -	15%
Demonstrated strengthening of local economic capacity	5%

The mandatory assessment criteria have been met by the recommended tenderer.

The Tender Assessment Panel utilised a weighted scoring method for the assessment of tenders which allocates a numerical score out of 5 in relation to the level of compliance offered by the tenders to each of the assessment criteria as specified in the tender documentation. The method then takes into account pre-determined weightings for each of the assessment criteria which provides for a total score out of 5 to be calculated for each tender. The tender with the highest total score is considered to be the tender that best meets the requirements of the tender documentation in providing best value to Council. Table 1 below summarises the results of the tender assessment.

**TABLE 1 – SUMMARY OF TENDER ASSESSMENT**

Name of Tenderer	Acceptable/Not Acceptable
Radio Cabs of Wollongong Cooperative Society Ltd, trading as Illawarra Taxi Network	Acceptable

## PROPOSAL

Council should authorise the engagement of Radio Cabs of Wollongong Cooperative Society Ltd, trading as Illawarra Taxi Network to provide transport via taxi vouchers and/or any other type of subsidised transport, in accordance with the service specifications developed for this service.

The recommended tenderer has satisfied the Tender Assessment Panel that it is capable of undertaking the works to Council's standards and in accordance with the service specifications.

Referees nominated by the recommended tenderer have been contacted by the Tender Assessment Panel and expressed satisfaction with the standard of work and methods of operation undertaken on their behalf.

## CONSULTATION AND COMMUNICATION

- 1 Members of the Tender Assessment Panel
- 2 Nominated Referees

## PLANNING AND POLICY IMPACT

This report contributes to the delivery of Our Wollongong 2028:

Goal 5 – We have a healthy community in a liveable city, and

Goal 6 - We have affordable and accessible transport.

It specifically delivers on the following:

Community Strategic Plan		Delivery Program 2018-2021	Operational Plan 2018-19
Strategy		3 Year Action	Operational Plan Actions
5.2.2	Healthy, active ageing programs are promoted in partnership with government agencies and community organisations.	5.2.2.1 Deliver a range of programs and recreational pursuits for older people	Support the provision of Community Transport services across Wollongong and Shellharbour Local Government Areas.
6.3.5	Community Transport options for frail older people, people with disabilities and the transport disadvantaged are actively promoted and available	6.3.5.1 Develop an alternative service delivery, governance model and auspice for Community Transport in response to the Federal Government's Aged Care reform legislation.	Promote access to Community Transport

## RISK ASSESSMENT

The risk in accepting the recommendation of this report is considered low on the basis that the tender process has fully complied with Council's Procurement Policies and Procedures and the Local Government Act 1993.

The risk of the services to be delivered is considered low, based upon Council's risk assessment matrix and appropriate risk management strategies will be implemented.

## FINANCIAL IMPLICATIONS

The cumulative expenditure budget for this service is \$650,000.

There are no financial implications to Council as the services are fully funded by the Commonwealth Department of Health and the service operates on a cost neutral basis to Council.

Taxi fees are mandatory, as set by TfNSW. Fees are displayed in each vehicle.

## CONCLUSION

The recommended tenderer has submitted an acceptable tender for this project and Council should endorse the recommendations of this report.

Council endorsement will enable continued delivery of services to more than 1,300 older people and their carers within the local community who are unable to access other forms of private or public transport.



## TENDER ASSESSMENT PANEL DECLARATION

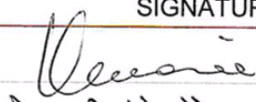
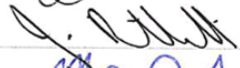

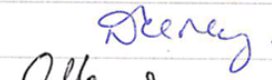
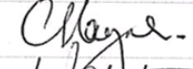
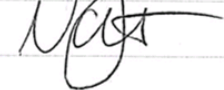
(THIS COMPLETED FORM IS TO BE PROVIDED TO THE RESPONSIBLE DIVISIONAL MANAGER WITH THE REPORT TO COUNCIL)

TENDER NO: T18/49

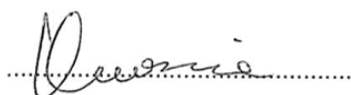
PROVISION OF TRANSPORT VIA TAXI VOUCHERS AND/  
OR ANY OTHER TYPE OF SUBSIDISED TRANSPORT TO  
COUNCIL

TENDERER	TENDERED AMOUNT (\$, GST EXCLUSIVE)	TOTAL SCORE ( /5 )	RANK OF TENDE R
Radio Cabs of Wollongong Cooperative Society Ltd, trading as Illawarra Taxi Network	N/A	3.73	1
			2
			3
			4

ON 15/02/2019 THE TENDER ASSESSMENT PANEL COMPRISED OF THE FOLLOWING MEMBERS HEREBY AGREES AND DECLARES THAT THE FIRST RANKED TENDER BE RECOMMENDED FOR ACCEPTANCE BY COUNCIL AND THAT A REPORT BE PREPARED BY THE CHAIRPERSON FOR SUBMISSION TO COUNCIL SUBJECT TO MANDATORY ASSESSMENT CRITERIA BEING MET BY THE RECOMMENDED TENDERER

NAME OF PANEL MEMBER	SIGNATURE
Lucia Scioscia	
Julie Bartlett	
Mark Bond	
Deborah Arney	
Chris Hayne	
Nathan Warren	

REFEREE CHECKS HAVE BEEN UNDERTAKEN AND OTHER MANDATORY ASSESSMENT CRITERIA HAVE BEEN MET BY THE RECOMMENDED TENDERER



Signed by Chairperson Tender Assessment Panel on 21.2.19