

Report to CABINET

Special Education Needs (SEN) Travel Assistance Service – DPS Contract Extension

Portfolio Holder: Councillor Mohon Ali, Cabinet Member for Education, Early Years and Skills

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23 March 2026

Reason for Decision

The current Special Educational Needs Transport Services Dynamic Purchasing System was awarded for a period of 5 years from 1 September 2022 until 31 August 2027. This report seeks to extend the current Special Educational Needs Transport Service DPS Contract from August 2027 until 23 February 2029. This forms part of the transition from the Public Contracts Regulations 2015 under which the DPS was awarded to the new Procurement Act 2023 and can only be up to the permitted/advertised value of £17.5m.

Executive Summary

The report details the tender allocation process completed in February 2022 (routes commenced in September 2022). It also outlines the current provision of Home to School Transport, provided by the SEN Travel Assistance Team

Recommendations

Cabinet is required to authorise the extension to the current Special Educational Needs Transport Service Contract.

Cabinet

23rd March 2026

Special Education Needs (SEN) Travel Assistance Service – Contract Extension

1 Background

- 1.1 The SEN Travel Assistance Team currently provide home to school & college transport for a total of approximately 750-800 children and young people attending between 50-60 schools/colleges both within and outside the borough of Oldham (In 2022 this figure was approx. 600-650). The transport required includes mini-buses, tail lift/ramp vehicles, saloon cars, Eurocabs and Hackney Carriage vehicles provided by a mixture of Public Service Vehicles ("PSV's), Private / Public Hire.

It is the Local Authority's statutory function to provide travel assistance to those children and young people with special educational needs, disabilities or mobility issues that are eligible according to the SEN Travel Assistance Policy (March 2025). The transport service operates over 190 school days as determined by the School Holidays Calendar and considering other occasional days determined by individual schools governing bodies. All pupils with SEN are provided with free travel assistance, in accordance with the Council's current Travel Assistance Policy (March 2025), IPSEA Legal guidance and the Education Act 1996.

The provision of transport is determined by the needs of the individual pupil. Those with severe and complex health, physical or educational needs can be transported by either individual taxis or adapted vehicles. Children or young people with less severe needs ordinarily travel via a multi-passenger minibus/PSV vehicle.

The SEN Travel Assistance Policy aims to ensure that all pupils eligible to access transport, will receive the appropriate provision which meets their needs. When assigning the appropriate provision to be provided, the Transport Moderation panel consistently applies the following principles:

- The aim of the service is to support parents, not absolve them of their responsibility to ensure their child attends school on time with regular attendance.
- The SEN Transport team ensures all arrangements put in place shall be cost-effective, so the Authority receives value for money.

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- Wherever possible, the provision provided will look to build and promote independence, to help prepare children and young people for later life.
 - The health, safety and well-being of the children and young people will remain paramount.

2 Current Position

2.1 The dynamic purchasing system (DPS) is used for procuring and awarding routes which are issued as mini competitions and accessed by suppliers via the Chest. Both a quality assurance score and price check are used to ensure that operators offer value for money for the local authority.

There are currently 24 contractors providing specialist vehicles and qualified drivers to undertake the service. All contractors submitted competitive pricing based on transport being operational for 38 weeks of the year.

The DPS was procured and awarded in 2022 on a 5-year basis with no **extension** period. The initial contract period started on 1st September 2022 and will end on 31st August 2027; the subsequent call off contracts also follow the same duration.

The estimated costs associated with awarding the initial 5-year contract was £17,500,000. During the extension period a full-service review will take place with the intention of re-procuring the DPS in advance of a new contract from 24 February 2029. The maximum cost will be £4.1m for the 2025/26 academic year. This is as of 01.09.25 and based on 156 routes operating 190 days

All tender submissions must be submitted via the chest and evaluated by both Procurement and Transport. The current number of routes as of 5th September 2025, the Council has been able to award is 156. This is a reduction of 60 routes compared to September 2024 (216 routes) mainly due to a Post-16 policy change and the increased amount of Personal Travel Budgets (PTB's) being offered to parents/carers. 255 parent/carers receiving a PTB compared to less than 50 in 2022.

In accordance with the Council's CPRs and Procurement Regulations, Oldham Council will put out to tender, routes for home to school transport for children and young adults under the existing DPS. The procurement and full tender process for the award of a new framework for these services will need to begin in 2028 in order that the contract is awarded and can commence as of 24 February 2029.

3 Options/Alternatives

3.1 **Option 1:** To agree to apply the proposed extension to the current DPS which has and continues to work well in terms of a compliant solution for the requirements which are needed both ad-hoc and as a larger project in advance of the start of a new academic year.

Option 2: That the extension is not approved. If the DPS were to expire as of its original planned expiry date, our procurement team advise there is no alternative type of framework which will be as well suited to the requirements due to the changes in Procurement Regulations applying from February 2025. These are further described in the procurement comments below. Once expired,

4 Preferred Option

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- 4.1 Option 1, It is recommended that the option to extend the current DPS for SEND Transport is agreed.

5 **Consultation**

- 5.1 Consultation with the Commercial Procurement Unit (Angela Porter/Jasmin Banks-Lee) SEND Senior Management Team (Paula Green – Head of SEND & Inclusion) (Katie Charlton – Assistant Director SEND & Inclusion) and (Stuart Edwards – SEND Travel Assistance Manager).

Consultation at DMT on 9th September 2025.

Consultation at SMT on 22nd September 2025.

Portfolio Holder, Cllr Mohon Ali was fully briefed and has had sight of the full report.

6 **Financial Implications Suggestion TBC**

The preferred option is Option 1, to award an extension to the current DPS for SEND transport, from the current expiry on 31st August 2027 to 23rd February 29, this being the maximum permitted end date for the transition of DPS contracts to 'Dynamic Markets', this is seen as the most pragmatic approach to the impending changes, the Service is proposing to keep the service specification as is.

The 2025/26 budget for Contract Hire of Vehicles. (R33020 37113) is £5,825k, against which at month 6 the service is showing a provisional pressure of £70k, a more accurate forecast for the remainder of the financial year will be available for month 7 when all the Autumn Term routes have been procured and billed. The provision of home to school transport is kept under constant review from both an operational and financial perspective in an effort to minimise cost and maximise value for money and there is potential for changes to service provision and entitlement before the commencement of the contract extension in September 2027.

Victoria Hayes Senior Accountant

7 **Legal Implications**

7.1

The report notes that the extension of the DPS complies with the relevant Regulations and is a permitted modification under those provisions. The report author/SRO must ensure that each award going forward is preceded by a DDR or Cabinet Report at that time to authorise the spend and that all relevant notices are issued/published. The report author has confirmed continued compliance with the Finance and Contract Procedure Rules.

Rebecca Boyle – Corporate Group Solicitor

8. **Procurement Implications**

- 8.1 Under the Procurement Act 23, Dynamic Purchasing Systems are replaced by 'Dynamic Markets', and these will not allow for below threshold awards (rounds of competition) which will continue to be required for the Special Education Needs (SEN) Travel Assistance Service where there are 'only' below threshold awards. This is widely recognised by Local Government and Cabinet Office as a barrier for services such as SEN Transport.

DPS contracts established under the Public Contracts Regulations 2015 will continue to operate under those Regulations until the end of the transitional period on 23 February 2029, provided they do not expire before this date. Given the current DPS expires 31 March 2025, the most pragmatic approach to these upcoming changes will be to extend the existing DPS to the end of the transition period. The service is seeking to keep the service specification as is.

As per regulation 32(27) the Council, as the Contracting Authority, was required to specify the validity period for the DPS in the call for competition. The validity period specified was 5 years. There was no scope for extension.

Regulation 34(28) allows for the period of validity to be changed without terminating the DPS during the life of the original validity period provided the Council submits a notice of the kind used initially for the call-off competition for the DPS.

This means that, subject to approval being obtained to extend the term, all that is required is to issue a new contract notice.

The guidance on Transitional and Savings arrangements provides at paras 19 & 20:

19. The transitional and saving regulations set out that any dynamic purchasing system and qualification system established under the previous legislation must come to an end as set out when they were established, or by 23rd February 2029 (four years after the new regime comes into effect), whichever is earlier. Any contract awarded under such an arrangement will continue until it comes to an end and be managed by the previous legislation (even if the dynamic purchasing system or qualification system has terminated prior to that point).

20. The regulations restrict the ability to extend a dynamic purchasing system or qualification system awarded under the previous legislation (see, for example, as might arise under PCR regulation 34(28)) by providing that any dynamic purchasing system or qualification system extended after the Act comes into force can only be extended in the first twelve months after the Act comes into force and cannot be extended beyond 23rd February 2029.

The Act came into force on 24 February 2025 and so this extension falls within the above period. The Procurement Act 2023 Commencement No.3 Regulations make clear via Regulation 5, that a modification to an existing DPS let under the Public Contracts Regulations 2015 can be made, up until 23 February 2026. Any DPS let under the PCR must expire by 23 February 2029.

Regulation 72(1)(e) of the PCR justifies the extension to the DPS as the criteria have been met. The extension has not rendered the DPS materially different in character, the admission of candidates has not changed, the economic balance between parties has not shifted, and the scope of the DPS has not been extended.

The extension to the DPS must continue to follow the prescribed process set out within it.

No direct awards are permitted under the DPS, a competitive round of tender is a mandatory requirement for each award. This along with the ability to add new suppliers at any time is why a DPS is more flexible and still allows current value for money tests.

Jasmin Banks-Lee, Head of Commercial Procurement Unit

9.1 No

10 **Key Decision**

10.1 Yes

11 **Key Decision Reference**

11.1 EDS-01-26

12 **Background Papers**

12.1 Education Act (1996)

IPSEA Legal Guidance/SEND Code of Practice

Travel Assistance Policy: for children and young people with special educational needs and/or disabilities (SEND) to access education | Oldham Council

13 **Appendices**

13.1 None