

	Officer Key Decision
	Report to the Corporate Director, Children Young People and Community Development
	Cabinet Member for Children, Young People and Schools – Councillor Gwen Grahll
AUTHORITY TO EXTEND INTER-AUTHORITY AGREEMENT FOR THE PROVISION OF HARROW AND BRENT COUNCILS' SPECIAL NEEDS TRANSPORT	

Wards Affected:	All
Key or Non-Key Decision:	Key Decision
Open or Part/Fully Exempt: (If exempt, please highlight relevant paragraph of Part 1, Schedule 12A of 1972 Local Government Act)	Open
No. of Appendices:	None
Background Papers:	None
Contact Officer(s): (Name, Title, Contact Details)	<p>Name: Shirley Parks Job Title: Director, Safeguarding, Partnerships and Strategy Email: Shirley.parks@brent.gov.uk</p> <p>Name: Michelle Gwyther Job Title: Head of Forward Planning, Performance and Partnerships Email: Michelle.gwyther@brent.gov.uk</p>

1.0 Executive Summary

- 1.1 This report requests authority to extend the Inter Authority Agreement with the London Borough of Harrow for the provision of Harrow and Brent Councils' Special Needs Transport Service for both boroughs, as required by Contract Standing Order 112. The report summarises the reasons for the request to extend and the duration of the extension.

2.0 Recommendation(s)

That the Corporate Director of Children Young People & Community Development:

- 2.1 Approves the extension of the Inter Authority Agreement for the provision of Harrow and Brent Councils' Special Needs Transport with the Mayor and Burgesses of the London Borough of Harrow for a period of three (3) years from 1 August 2026.

3.0 Detail

Contribution to Borough Plan Priorities & Strategic Context

- 3.1 The Inter Authority Agreement (IAA) covers the provision of Special Needs Transport for both Brent and Harrow, in the form of the Harrow and Brent Transport Hub (HBTH) run by Harrow on behalf of both authorities. The HBTH covers the arrangement and delivery for Brent of Home-to-School transport for Children and Young People (CYP) with Special Educational Needs and Disabilities (SEND), as well as transport to and from Day Services for around 100 Brent adults with SEND.
- 3.2 This agreement supports the Borough Plan Strategic Priority 4: The Best Start in Life. By ensuring children and young people with additional needs in Brent can attend and access their education in Brent. This means the local authority is meeting its statutory obligations and supporting every child and young person to access high quality education locally to them in the borough.
- 3.3 The provision of home to school transport and the delivery of the Inter Authority Agreement is closely aligned with Brent's School Place Planning Strategy 2024 – 2028, of which the second refresh is due to be received by Brent Cabinet in November 2025. The second refresh maintains the focus on the sustainability of provision that can adjust to increases in demand for specialist places. To achieve this, it includes the provision of a second phase of a SEND capital estate strategy to increase the number of specialist school places in Brent, which will reduce the need for children and young people to travel for their education outside of Brent. This will reduce the need for higher cost forms of travel assistance such as solo taxis.

4 Background

- 4.1 The Council entered into an Inter Authority Agreement on 1 August 2023 with the London Borough of Harrow to provide Special Needs Transport. The total term of the agreement agreed by Cabinet was for an initial period of three (3) years with an option to extend for a further three (3) years (the "Agreement"). This covers the delivery of home to school

transport for children and young people with Special Educational Needs and Disabilities as well as transport to and from day services for adults with Special Educational Needs and Disabilities.

- 4.2 The Agreement stipulates that after the first two (2) years the agreement will be reviewed by both parties who will make a decision as to whether to extend the period of the Agreement, and that one party is required to serve written notice to the other party no later than 9 months before the expiry date of its intention to extend the term of the Agreement. The Agreement permits an extension by a further three (3) years from 1 August 2026 to 31 July 2029.
- 4.3 This is a statutory service and meets the LA's statutory responsibility under the Education Act 1996. This act imposed a duty on the Council to arrange Home-to-School transport for eligible children and young people of statutory school age, sixth-form age, and up to the end of an Education, Health & Care Plan (EHCP). Services which are delivered are as follows:
- Planning of routes and completing risk assessments for service users to travel;
 - Transport of children and young people to and from school on Harrow owned vehicles;
 - The supply and maintenance of these vehicles;
 - Management of an agency contract for the provision of drivers and passenger assistants. This is provided through a SNT Managed Workforce contract which Harrow Council hold with a third-party supplier;
 - Training of all staff;
 - Procurement and management of additional transport capacity in the form of taxis via a framework updated in 2025 to deliver this mode of transport;
 - Provision of a full customer service which includes being the first point for parents and carers for issues and complaint resolution;
 - Provision of financial and performance data to enable the effective monitoring of the Agreement.
- 4.4 The outcome of the service is that transport is arranged and provided for around 1200 children and young people with SEND and around 100 adults with additional needs. Harrow have during the course of the Agreement delivered consistent provision of transport to over 1300 service users within a very challenging budget. The outturn for the 2024/25 financial year was £14.34m.
- 4.5 The Agreement is subject to monthly financial and performance meetings, regular operations meetings and a quarterly Special Needs Transport Advisory Board which is attended by both Brent and Harrow senior managers. This regular oversight means there are no long-

standing issues which remain unresolved and the regular attendance of Brent's Head of Transport Operations at the Harrow base provides an additional level of quality assurance and oversight. There have been no Agreement compliance issues which have required any default or remedy notices to be served. Harrow and its managed workforce supplier are quick to respond to issues raised and resolve them to a required standard and Harrow wants to work in partnership with Brent to make further improvements to the service over the remainder of the Agreement.

- 4.6 Although there are complaints raised directly by parents and carers who are unhappy with the service they receive, the provision of the service from Harrow via the Inter Authority Agreement is of good quality. Eighty-five percent of parents/carers who responded to the latest annual satisfaction survey in July 2025 said they thought the overall service provided was either excellent or good, with only two percent saying it was poor. Regular meetings are held with the Brent Parent Carer Forum to update on transport developments and to discuss any parent/carers concerns, with the latest meeting held on 4 November 2025.
- 4.7 Harrow runs the provision of special needs transport in the same way as some other local authorities in London, through the provision of a hybrid approach of internal (buses) and external (taxi and workforce). This has been an effective means for delivery of service and there are no plans to change this following the Agreement extension.
- 4.8 By delivering a joint service Harrow and Brent can spread the fixed costs or running a Special Needs Transport service, as well as combining routes across borough boundaries to run a more efficient service.
- 4.9. Options explored alongside this extension are as follows:
- 4.9.1 **Decommissioning.** This is not a viable option as the Council has a statutory duty under The Education Act 1996 to provide home-to-school transport for eligible children and young people.
- 4.9.2. **Early termination of the Agreement and bring all service 'in-house'.** There is currently not the infrastructure in place within Brent to run all required services, and in pursuing this option the Council risks not fulfilling its statutory duty. The Council does not have the physical locations and assets to run the service in-house. There would be a considerable financial up-front cost and procurement challenges to purchasing 87 new minibuses at a cost of circa £130k per vehicle which is electrically powered and specially adapted for SEN travel. To consistently run 80+ routes will also require around 180 staff (drivers and passenger assistants). Employing the staff directly would incur considerable additional pension costs as well as significant HR support

required or would require full tender exercise to award a managed workforce contract. As the current managed workforce contract run by Harrow includes staff working for both boroughs, the standing management fee typical in such a contract is split across both boroughs. This means to get a similar contract solely for Brent would lead to a higher overall unit cost than is currently the case. The development of a framework for the use of taxis to transport children and young people would also require extensive procurement work and subsequent contract management costs for no anticipated reduction in unit costs. Therefore, it is not deemed to be efficient use of both Council money and officers time to pursue a solo contract for Brent only.

4.9.3 Early termination of the Agreement and re-tender for another supplier. There are no concerns with the quality of the service which Harrow is providing nor are there any immediate financial benefits which can be seen to be gained by re-tendering for another supplier (for example saving on pension costs or gaining economies of scale). Where efficiencies will be pursued is the decision making upon receipt of an application for travel assistance, at the time of a child's annual review of their EHCP and also reviews of cohorts of children and young people to ensure the right individuals are receiving the right form of travel assistance.

4.10 The preferred option is to continue with the Agreement by exercising the extension option provided for in the Contract terms and conditions. The London Borough of Harrow have the physical locations, assets, experience and skillset to deliver the service on behalf of themselves and Brent. The provision of a joint service provides for economies of scale, sharing of staff and assets which Brent Council would not be able to replicate on its own. The provision of a joint service also allows for routes that traverse the two boroughs leading to efficiencies which the Council would not be able to achieve on its own.

4.11 Under section 3(b) of the table at paragraph 9.5 of Part 3 of the Constitution, Corporate Directors and Directors are able to extend contracts and agreements without the need for Cabinet approval, provided that:

- (a) the extension would not be in breach of Procurement Legislation.
- (b) the extension does not substantially alter the terms and conditions of the contract.
- (c) there is sufficient existing budgetary provision.
- (d) if the extension goes beyond the period of extension provided for in the contract (if any) or is otherwise not in accordance with the extension provisions in the contract:

- (i) in the case of any contract, agreement, deed or other transaction with a life of not more than one year (including any possible extension provided for in the contract) the extension shall not exceed a period of six months; or
- (ii) in the case of any contract, agreement, deed or other transaction with a life of more than one year (including any possible extension provided for in the contract) the extension shall not exceed a period of one year.

- (e) the relevant cabinet member shall be consulted prior to a decision within (d) (i) or (ii) above and may request that the decision instead be referred to them.

4.12 It is considered that the Corporate Director has delegated authority to agree the extension as, addressing the points detailed in paragraph 4.11:

- (a) The Agreement was awarded under Regulation 12(7) of the Public Contracts Regulations 2015 and falls outside the scope of the majority of the Public Contracts Regulations 2015. In any event, the proposed extension of three (3) years was provided for when the Agreement was let and would be permitted in accordance with Regulation 72(1)(a) of the Public Contracts Regulations 2015.
- (b) the proposed extension is in accordance with the Agreement provisions and does not substantially alter the terms and conditions of the Agreement.
- (c) there is sufficient existing budgetary provision.
- (d) The extension does not go beyond the period of extension provided for in the Agreement and is in accordance with the extension provisions in the Agreement and therefore sub-paragraph (d)(i) and (ii) do not apply.
- (e) There is no requirement to consult with the relevant cabinet member as the decision does not fall under (d) (i) or (ii).

5.0 Stakeholder and ward member consultation and engagement

- 5.1 The Cabinet Member for Children, Young People and Schools will be briefed on the decision to extend the Agreement with the London Borough of Harrow for the delivery of a joint Special Needs Transport Service for both boroughs.
- 5.2 Harrow Council, the current provider of the Agreement is in agreement for the extension of the Inter Authority Agreement for Special Needs

Transport for a period of three (3) years from 1 August 2026 to 31 July 2029.

6.0 Financial Considerations

- 6.1 The Agreement had an estimated value of £43m over the first 3 years. This estimate was not broken down across years but assumed costs would rise each year with the number of EHCPs issued (a key cost driver) The estimated value of the proposed extension is £40.3m and incorporates an expected reduction in the Agreement costs as per the Travel Assistance Policy Implementation Plan.
- 6.2 The rate of increase of EHCPs is current 8%, down from a forecast of 10% at the start of the Agreement period, though this is not consistent across all age ranges and the age groups with the highest increases in EHCP numbers were the 5-10 and 16-19 age groups, which saw increases of 8.2% and 7.4% respectively.
- 6.3 The cost of this extension of the Agreement will be funded from the SEN transport base budget. (General Fund).
- 6.4 Since the start of the Inter Authority Agreement there has been a strong focus within Brent on controlling the costs of delivering Special Needs Transport. A Head of Transport Operations was appointed in October 2023 to oversee the IAA for Brent on a day-to-day basis, and a package of invest to save measures were agreed by the Director of Finance & Resources in July 2024 to embed the new Travel Assistance Policy. These measures are known as the Travel Assistance Policy Implementation Plan (TAPIP) and are in the process of being implemented and embedded. If the joint service was to cease and Brent was to take the decision to bring all services on-house or re-tender, this would take officers away from the TAPIP and create additional risks.
- 6.5. A detailed forecast for year 3 is not possible at this point in the financial year as expenditure is highly contingent on overall passenger numbers and route configuration for the 2025/2026 academic year. New applications for travel assistance are still being received and processed. A fuller picture of the number and configuration of routes, and subsequent costs will be available in mid-November 2025.
- 6.6. Harrow and Brent combined have had an effective control of total expenditure during a period of high general inflation and specific cost pressures which have included the London Living Wage increases and additional National Insurance costs. Benchmarking against other LAs is problematic as there is not a consistent reporting method but the most comparable benchmark available is the London Borough of Ealing, a statistical and geographical neighbour. Ealing have forecasted an

average spend per transport service user of £13,004 for 2025/26 compared to an actual cost for 2024/2025 of £11,072 for Brent service users of the Harrow and Brent Transport Hub.

- 6.7 The report has considered several options including “in-sourcing” and re-tendering with another supplier. In-housing has been discounted as the Council does not have the capacity nor the expertise to undertake it. In addition to that, Brent would lose the economies of scale achieved by the Inter Authority Agreement. Re-tendering with another provider is not considered a viable option as it would not be expected to bring any performance or financial benefits (see paragraph 4.9.3) and it would be very difficult to find a provider geographically close to achieve the benefits of joint routes, etc. The option of extending the Agreement is therefore considered to achieve best value for money at this point in time.

7.0 Legal Considerations

- 7.1 Officers recommend the extension of the Agreement for the provision of Harrow and Brent Councils’ Special Needs Transport with the Mayor and Burgesses of the London Borough of Harrow for a period of three (3) years from 1 August 2026.
- 7.2 The Agreement was awarded under Regulation 12(7) of the Public Contract Regulations 2015 (PCR 2015) and falls outside the scope of the majority of the PCR 2015. It is considered that the criteria in Regulation 12(7) continues to be satisfied. As the Agreement was procured before 24 February 2025, the PCR 2015 governs the Agreement.
- 7.3 The Agreement contains express provision allowing for the extension as recommended and as such extension is permitted in accordance with the PCR 2015.
- 7.4 The Corporate Director is authorised pursuant to Paragraph 9.5 of Part 3 of the Constitution to extend contracts subject to the conditions set out in paragraph 4.11 above. As set out in paragraph 4.12 above, none of these conditions preclude the Corporate Director agreeing the recommended extension.
- 7.5 In accordance with Contract Standing Order 112, the Corporate Director, Children Young People & Community Development should only agree to extend the Agreement if the extension will achieve best value and is reasonable in all the circumstances. The Corporate Director is referred to section 4 of this report for further information.

8.0 Equity, Diversity & Inclusion (EDI) Considerations

- 8.1 Pursuant to s149 Equality Act 2010 (the “Public Sector Equality Duty”), the Council must, in the exercise of its functions, have due regard to the need to:
- (a) eliminate discrimination, harassment and victimisation and other conduct prohibited under the Act
 - (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it; and
 - (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it,
- 8.2 The Public Sector Equality Duty covers the following nine protected characteristics: age, disability, marriage and civil partnership, gender reassignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation.
- 8.3 Having due regard involves the need to enquire into whether and how a proposed decision disproportionately affects people with a protected characteristic and the need to consider taking steps to meet the needs of persons who share a protected characteristic that are different from the needs of persons who do not share it. This includes removing or minimising disadvantages suffered by persons who share a protected characteristic that are connected to that characteristic.
- 8.4 There is no prescribed manner in which the council must exercise its public sector equality duty but having an adequate evidence base for its decision is necessary.
- 8.5 There are no changes with regards to equality implications since the original Cabinet approval to enter into an Inter Authority Agreement in July 2023.
- 8.6 It is not considered that there are any health equalities implications arising from the recommendations contained in this report.

9.0 Climate Change and Environmental Considerations

- 9.1 The provision of a joint service enables the effective use of routes to transport children and young people which reduces emissions and air pollution from SEN transport vehicles, minibuses and taxis.
- 9.2 The extension of the Agreement means exploration of the replacement of the fleet to become hybrid or fully electric can be undertaken. If there is agreement to proceed, a gradual replacement of the fleet can be made which will strongly support the Council's climate aspirations.

10.0 Human Resources/Property Implications

- 10.1 This service is currently provided by an external contractor and there are no implications for Council staff arising from extending the Agreement.
- 10.2 There are no property implications arising from extending the Agreement.
- 10.3 If a decision was made not to extend the Agreement and bring services in-house, this would have significant HR and property implications. These are detailed in section 4.9.2 of this report

11.0 Communication Considerations

- 11.1 Any proposed changes to the Agreement would be communicated to all key stakeholders which includes parents, carers, schools and colleges to inform them of what is happening and why. This would be carried out in accordance with any guidance or legal frameworks (as applicable) and the Council community engagement process.

Related Documents:

Approval to award an inter authority agreement with Harrow Council for the provision of a Special Needs Transport Service July 2023

[Decision - Brent / Harrow Inter Authority Agreement for the Special Needs Transport Shared Service](#)

Report sign off:

Nigel Chapman

Corporate Director, Children, Young People and Community Development