

Birmingham Audit

Final Audit Report: 0504/022

Travel Assist – Commissioning, Safeguarding and Quality Assurance

Education and Skills

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1. Objectives and Scope

Background:

In March 2019, ATG, a provider of statutory home to school transport services for children and young people within Birmingham went bankrupt. This threatened considerable disruption for the service, as ATG provided transport for approximately 48% of journeys. As a result of this, the Education and Skills Directorate immediately reviewed the robustness of the other transport providers in the current framework, the robustness of contract management and the quality of the due diligence. Their initial work identified some potentially serious cross-/council issues in relation to the commissioning, contract management, due diligence, safeguarding and quality assurance processes, and requested we undertake an audit of these areas. During the audit a significant safeguarding issue was also discovered which resulted in the Education and Skills Directorate putting in place a Response Team, which included an officer from Birmingham Audit, to put in place actions to mitigate the immediate safeguarding risks, with the audit running along-side.

Objective of Review:

To provide assurance that robust and effective commissioning, due diligence, safeguarding and quality assurance processes are in place for the statutory home to school transport of children and young people in Birmingham.

Scope of Review:

This review was undertaken via management assurance, discussions with officers and examination/verification of documentation where required. The scope included establishing whether:

- A commissioning framework is in place for the selection and procurement of transport providers for children and young people.
- There are formal procedures in place covering the commissioning and managing of home to school transport providers for children and young people.
- Appropriate due diligence checks have been carried out on all home to school transport providers.
- Robust safeguarding checks have been undertaken on all transport providers and their drivers and guides.
- Effective and on-going contract management and quality assurance processes are in place for home to school transport providers.
- Children and young people are only transported with approved providers appearing on the Education and Skills Directorate's commissioning framework.
- Extension of the contract was appropriately authorised.

In addition to the above, we continue to work with the Education and Skills Directorate to establish solutions to any issues identified, to provide safe and secure transport for children and young people.

2. Executive Summary

Assurance: **Level 4**

Risk Rating for Council: **High**

Risk Rating for Service Area: **High**

This audit was requested by the Education and Skills Directorate following concerns in relation to safeguarding, commissioning, contract management and quality assurance within Travel Assist – statutory home to school transport service. **Our initial work quickly confirmed the Education and Skills Directorate's concerns, in particular the extent of the cross cutting concerns across the Council in relation to safeguarding and Safer Recruitment practice, specifically the management of Disclosure and Barring Scheme (DBS) checks**

During the early stages of our work BCC were alerted to a serious incident by one of the commissioned transport providers, in relation to the DBS process. Following this a Response Team was immediately formed by the Education and Skills Directorate, which included an officer from Birmingham Audit, to put in place actions to mitigate any immediate safeguarding risks, with the audit review running along-side. This team has now been disbanded as the Education and Skills Directorate have now established a recovery plan and are mobilising additional resources to resolve these issues and strengthen the controls within Travel Assist. The speed at which the Education and Skills Directorate responded to this issue must be commended, and we have included a summary of their on-going actions in section 3 of this report.

Our work has identified some very significant cross-council concerns in a range of areas.

In the Education and Skills Directorate our findings indicate a poor understanding of the importance of safeguarding, inadequate safeguarding arrangements, poor management control, no real contract management, poor quality management information and an absence of KPIs. These issues are particularly concerning given the nature of the services being provided in transporting some of our most vulnerable children and young people. The Education and Skills Directorate needs to address these issues urgently, and in some cases already has, as part of our work.

In Corporate HR, the findings indicate a poor understanding of the importance of safeguarding, concerns relating to safeguarding and Safer Recruitment and the status of the DBS policy and its implementation. These significant safeguarding concerns relating to the work of Corporate HR also must be addressed as a matter of urgency.

The incident alerted to BCC by one of the commissioned transport providers, in relation to the DBS process potentially has very serious cross cutting implications across the Council and needs separately investigating. It also raised concerns about the robustness of the wider corporate DBS process and safeguarding practice in HR and across the Council which needs to be urgently reviewed.

The following page highlights the top issues for the Education and Skills Directorate and for Corporate HR management to consider when moving

forward in establishing more appropriate, effective and accountable processes. We have made 19 recommendations which if implemented will help management to better manage the risks identified during this work.

It should be noted that this audit has been carried out in partnership with the Education and Skills Directorate and there has been clear leadership, drive and commitment to strengthen the controls and improve service delivery.

The top issues identified for management within the Education and Skills Directorate are:

- The initial contract for this service dates back to 2009 and has been extended year on year since then, with the last extension actioned without the completion of the required approval documentation. This is now being rectified by the Education and Skills Directorate.
- A significant number of the routes have been sub-contracted without approval and without any quality assurance checks on the suitability of the sub-contractor, and therefore exposing children and young people to unacceptable safeguarding risks. This was in breach of the contract.
- The safeguarding arrangements in place are inadequate.
- The management information used to monitor this process is out of date, and had significant key information missing (e.g. over 500 driver DBS disclosure numbers were missing). It was also held within several different records, rendering it unreliable as well as ineffective.

- No quality assurance checks are carried out to ensure the transport providers are delivering services to the right standard.
- There appears to be an absence of any real management control, as we could not confirm any KPIs to monitor performance, a lack of management information and no documented procedures in relation to safeguarding, commissioning and quality assurance.
- Whilst we have been informed that vehicle safety checks have been carried out, no information or evidence to support this was provided. Given the extent and seriousness of other issues that Travel Assist were resolving, we were unable to test this area but will do so in our follow up work.

The top issues identified for Corporate HR are:

- The processes for dealing with positive DBS disclosures must be strengthened urgently.
- The serious incident, referred to in the report, by one of the commissioned transport providers in relation to the safer recruitment and DBS process must be formally investigated.
- The Council's corporate DBS policy and arrangements must be reviewed to ensure they are robust, fit for purpose and do not expose BCC and its service users to unacceptable risks.

3. Control Objectives and Conclusion

Control Objective	Conclusion	Rationale & Initial response
01. A Commissioning Framework is in place for the selection and procurement of safe transport providers for children and young people.	Not Met	<p>Rationale - there is a commissioning framework in place but this is out of date and ineffective. The current framework was established as part of the original contract in 2009 and the contract has been extended year on year since then (6 extensions). However, the commissioning framework has not been updated. The use of Corporate Procurement (CPS) over extending the contract has been inconsistent and the safeguarding requirements for providers and their drivers in the contract are inadequate and not sufficiently robust. The consistent use of CPS will ensure that all key requirements are included and the relevant procedures complied with (see recommendations 01, 02, 03 & 04).</p> <p>Education and Skills Directorate's initial response – work is underway into procuring a new contract and commissioning framework and in securing an alternative provider for the routes that had been provided by ATG. This is being done in conjunction with CPS and to be in place for when the current framework expires in October 2019. Additional resources are being deployed with a contract manager from CPS being seconded to oversee and strengthen contract management arrangements in Travel Assist.</p>
02. There are formal procedures covering the commissioning and managing of home to school transport.	Not Met	<p>Rationale - there are no formal procedures in place covering the commissioning and managing of home to school transport (see recommendation 05).</p> <p>Education and Skills Directorate's initial response – as part of the recovery plan, resources have been re-directed to map and document the current processes in place. These are under construction and will be reviewed, evaluated and the processes amended as required to strengthen the controls. An experienced contracts manager has</p>

Control Objective	Conclusion	Rationale & Initial response
		been put in place to oversee all contract management until permanent contract management arrangements are put in place.
03. Appropriate due diligence checks have been carried out on all home to school transport providers.	Not Met	<p>Rationale - The contract has been extended year on year since 2009 and no due diligence checks have been undertaken since then (see recommendation 06).</p> <p>Education and Skills Directorate's initial response – work is underway into procuring a new contract and establishing a commissioning framework. This is being done in conjunction with CPS and will include appropriate due diligence checks on the contractors which should ensure more robust providers. Immediate action has been taken to provide a due diligence baseline for all providers with remedial improvement actions taken when required.</p>
04. Robust safeguarding checks have been undertaken on all transport providers, their drivers and guides.	Not Met	<p>Rationale - Robust and up to date safeguarding checks, as required in the contract, have not been undertaken on the transport providers and drivers. There have been significant contract breaches that were not previously known by the service. The management information maintained to monitor safeguarding had significant missing information and was out of date. At the time this was tested, 568 out of 599 records did not have a DBS clearance number, 48 records showed no DBS clearance number as well as no DBS clearance date, and 157 records were shown as sub-contracted routes, 62 had no Driving Licence Number and 33 had no Vehicle Registration number recorded. It is of concern that the incident alerted to BCC by one of the commissioned transport providers, in relation to the DBS process, had very serious implications – this requires a separate investigation. It also raised concerns about the wider DBS process which need to be reviewed. Now that corporate HR has withdrawn support from elements of the DBS process, the Education and Skills Directorate needs to put in place alternative arrangements, as a matter of urgency. Corporate HR must also strengthen its processes in relation to dealing with positive disclosures.</p>

Control Objective	Conclusion	Rationale & Initial response
		<p>A separate record of the safeguarding checks undertaken on the guides is maintained but this not mapped/linked to the routes and children, as this is recorded separately. A comparison of the two established that there were 35 guides who did not appear on the list of guides that had been safeguarded checked. No single central record showing providers, drivers, routes, children, guides and the safeguarding checks is maintained. Therefore until this is done, no assurance can be provided that all children are adequately safeguarded (see recommendations 07,08,09,10, 11, 12 & 13)</p> <p>Education and Skills Directorate's initial response – The Incident Response Team was formed with the priority of identifying missing, out of date or inaccurate information and putting in place mitigating actions to minimise the potential safeguarding risks. This included using alternative drivers, guides, providers and co-ordinating work to obtain the required information. This work is on-going due to the incomplete, inaccurate and out of date information that is maintained by Travel Assist and further issues are being discovered as the separate pieces of information are joined together. A single central record is being developed. The Directorate are also in discussions with Corporate BCC HR over the revised procedures.</p>
05. Effective and on-going contract management and quality assurance processes are in place for all home to school transport providers.	Not Met	<p>Rationale – Whilst we have been informed that vehicle safety checks have been carried out, no information to support this was able to be provided. Given the extent and seriousness of other issues that Travel Assist were resolving, we were unable to test this area as their time and resources were taken up with more immediate concerns. Instead we will undertake testing in this area as part of our follow up work. No quality assurance checks in relation to delivery of the service are undertaken, no contract management takes place and there are no KPIs in place to measure and monitor the delivery of</p>

Control Objective	Conclusion	Rationale & Initial response
		<p>services (see recommendations 14,15 & 16)</p> <p>Education and Skills Directorate's initial response – as part of the Education and Skills Directorate's recovery plan, additional resources are being deployed with a contract manager from CPS being seconded to oversee and strengthen contract management. This will include strengthening the contract management processes within Travel and the procurement of the new contract.</p>
06. Children and young people are only transported with approved providers appearing on the Education and Skills Directorate's commissioning framework.	Not Met	<p>Rationale - No assurance can be provided in relation to this, as there is no up to date commissioning framework in place, unapproved sub-contracting has taken place, and the master driver list has key information missing and is out of date. Unapproved sub-contracting without any quality assurance checks on the provider is exposing the Education and Skills Directorate and the City Council to unacceptable safeguarding risks. Breach of contract has occurred that had not been identified by the service (see recommendation 17).</p> <p>Education and Skills Directorate's initial response – Immediate action has been taken to address unauthorised subcontracting by the providers and to ensure contract compliance. The Directorate's recovery plan will include putting in place a robust contract management plan and contract management capacity and a data expert who is joining up all the data to provide one single central record which can be used to effectively manage the service.</p>

Control Objective	Conclusion	Rationale & Initial response
07. Extension of the Home to School Transport contract has been appropriately authorised	Partially Met	<p>Rationale – in 2018 Cabinet gave delegated authority for the then Director of Children and Young People to approve extension of the contract. However, we have been unable to confirm that the required actions have taken place. It is unclear why this did not take place, however, this rendered the contract illegal. Amendments were also made to the contract but without any Deed of Variation, making the contract almost unenforceable, as well as illegal. However, upon discovering this, the Education and Skills Directorate are in the process of retrospectively approving the contract (see recommendation 18 & 19).</p> <p>Education and Skills Directorate's initial response – As reported in 01 above, work is underway into procuring a new contract and establishing a commissioning framework. This is being done in conjunction with CPS and to be in place for when the current contract expires in October 2019. This will include properly authorising the contract.</p>
08. Robust approval processes are in place to ensure invoiced charges/journeys agree to the journeys/charges detailed in the contract.	N/A	Given the extent and seriousness of other issues that Travel Assist were resolving, we were unable to test this area as their time and resources were taken up with more immediate concerns. Instead we will undertake testing in this area as part of our follow up work.
09. Strong payment authorisation and budget monitoring processes are in place.	N/A	Given the extent and seriousness of other issues that Travel Assist were resolving, we were unable to test this area as their time and resources were taken up with more immediate concerns. Instead we will undertake testing in this area as part of our follow up work.

4. Action Plan

Rec No.	Recommendation	Priority	Management Response	Responsible Officer / Implementation Date
01	An up to date commissioning framework should be developed as part of the new contractual arrangements being put in place. Only providers on that framework should be used and on-going checks must be carried out by the Head of Service and their line manager to ensure compliance to this framework.	High	<p>Recommendation fully accepted. A commissioning framework has been developed as part of the on-going re-procurement. A contract management plan will be in place to manage the new contacts from initial mobilisation. This will include specific requirements for safeguarding and information governance. Dedicated contract management in place but this is currently an interim arrangement</p> <p>16.07.19 update Draft contract management plan in place. Action on track.</p>	<p>Officer Responsible: Nichola Jones, Assistant Director SEND and Inclusion – Education & Skills.</p> <p>Agreed Implementation date: Framework and interim contract management in place by the end of June 2019 – complete.</p> <p>Contract management plan in place by the end of July 2019.</p>
02	Contracts should only be extended for a maximum of one year unless there are particular circumstances that preclude this from happening and this must be approved in advance by the Director of Education & Skills and authorised by Cabinet.	High	<p>Recommendation fully accepted. Any extension to be in line with agreed contract term with the relevant approvals in place. This to be included in the Contract management plan.</p> <p>16.07.19 update Action on track.</p>	<p>Officer Responsible: Nichola Jones, Assistant Director SEND and Inclusion – Education & Skills.</p> <p>Agreed Implementation date: 31st July 2019</p>

Rec No.	Recommendation	Priority	Management Response	Responsible Officer / Implementation Date
03	Wherever possible, the Education and Skills Directorate should use CPS when commissioning new contracts or contract renewals. This will help ensure the contents of the contract meet all legal requirements, best practice and the correct procedures are followed.	High	Recommendation fully accepted. Interim contract management in place via CPS.	Officer Responsible: Nichola Jones, Assistant Director SEND and Inclusion – Education & Skills. Agreed Implementation date: 30 th June 2019 – complete.
04	The safeguarding requirements contained in any future contracts must be strengthened and include a requirement to follow recognised best practice in relation to DBS checks.	High	Recommendation fully accepted. Appropriate safeguarding provisions to be included in the contracts. Specialist input from Subject Matter Expertise in home to school transport safeguarding. This also to be reflected in contract management plan. Specific training to be provided to team on information governance and safeguarding. There will also be a wider safeguarding review of other contracts held in the Education and Skills Directorate. 16.07.19 update Action on track. Specific safeguarding provisions have been added to the ATG replacement	Officer Responsible: Nichola Jones, Assistant Director SEND and Inclusion – Education & Skills. Agreed Implementation date: 31 st October 2019

Rec No.	Recommendation	Priority	Management Response	Responsible Officer / Implementation Date
			contract. These have been reviewed by the SME. These provisions will be duplicated in the DPS contract.	
05	Formal procedures of the processes that need to be followed in relation to home to school transport must be drawn up. This will give staff a clear understanding of the processes that need to be followed. The development of these procedures provides an ideal opportunity to identify any unnecessary processes or where additional controls are needed. The procedures should be reviewed and where necessary updated on an annual basis.	High	<p>Recommendation fully accepted. Work to take place on process mapping current processes and identification of areas for improvement. Revised process maps to be put in place, underpinned by formal written service procedures and training.</p> <p>16.07.19 update Action on track. Process mapping workshops have taken place. These have enabled comprehensive mapping of current systems and processes. Early improvement wins have been actioned. Next steps are to improve and re-define these processes.</p>	<p>Officer Responsible: Jennifer Langan, Team Manager – Travel Assist Lead</p> <p>Agreed Implementation date: 31st July 2019</p>
06	Due diligence checks must be undertaken on all transport providers before entering into a contract with them. This must include the financial stability and the suitability of the provider to deliver home to school transport. Regular re-tendering of this	High	Recommendation fully accepted. This will be included within the procurement and contract management processes.	<p>Officer Responsible: Nichola Jones, Assistant Director SEND and Inclusion – Education & Skills.</p>

Rec No.	Recommendation	Priority	Management Response	Responsible Officer / Implementation Date
	contract will drive on-going due diligence checks.		16.07.19 update Action on track.	Agreed Implementation date: 31 st October 2019
07	The Education and Skills Directorate must continue to cleanse and correct the driver and guides management information (in particular the safeguarding/DBS information) to ensure it is complete, accurate and up to date.	High	Recommendation fully accepted. 16.07.19 update Action completed. Single data set established from cleansed and verified data.	Officer Responsible: Jennifer Langan, Team Manager – Travel Assist Lead Agreed Implementation date: 30 th June 2019 – complete.
08	The current process of recording safeguarding checks on different records must cease and a Single Central Record showing providers, drivers, routes, children, guides and the safeguarding checks must be established, monitored and kept up to date.	High	Recommendation fully accepted. 16.07.19 update Action complete. Single Central record now in place.	Officer Responsible: Jennifer Langan, Team Manager – Travel Assist Lead Agreed Implementation date: 30 th June 2019 – complete.
09	On-going safeguarding audits must be introduced so that the Travel Assist Team can be assured that the providers are undertaking the required safeguarding/DBS checks on their drivers. This must include sample testing of the drivers DBS certificate. Records of the audits must be retained, and the results reported to the appropriate Assistant Director.	High	Recommendation fully accepted. 16.07.19 update Action on track.	Officer Responsible: Jennifer Langan, Team Manager – Travel Assist Lead Agreed Implementation date: 31 st July 2019

Rec No.	Recommendation	Priority	Management Response	Responsible Officer / Implementation Date
10	The Head Of Service should introduce arrangements to ensure the key management information in relation to drivers, providers, routes, children and safeguarding is accurate, up to date and complete. It is suggested that this is achieved through monthly verification checks. The results of these checks should be reported to the appropriate Assistant Director.	High	Recommendation fully accepted. 16.07.19 update Action complete. New arrangements in place underpinned by quality assurance protocols. Repeat Audits set at quarterly intervals.	Officer Responsible: Jennifer Langan, Team Manager – Travel Assist Lead Agreed Implementation date: 30 th June 2019 – complete.
11	The Education and Skills Directorate must introduce a new safeguarding / DBS checking processes for assessing positive disclosures.	High	Recommendation fully accepted. 16.07.19 update Action complete. BCC and providers to follow relevant provisions as set out in the contract. Providers are contractually responsible for their own recruitment and safeguarding arrangements, in line with the expectations set out in the contract.	Officer Responsible: Nichola Jones, Assistant Director SEND and Inclusion – Education & Skills & Glen Knott, HR Business Manager. Agreed Implementation date: 30 th June 2019 – complete.
12	A review of the Council's corporate DBS policy and arrangements (including those in relation to commissioned services) must be carried out to ensure they are robust, fit for purpose and do not expose BCC and its service users to unacceptable risks.	High	A review of the Council's corporate DBS policy is currently being undertaken by HR along with a review of current DBS protocol and practice. A Task and Finish Group is being set up, led by HR, to review the revised policy and procedure and finalise these and the accompanying	Officer Responsible: Craig Scriven, (new) Assistant Director, Human Resources Agreed Implementation date: 31 st October 2019.

Rec No.	Recommendation	Priority	Management Response	Responsible Officer / Implementation Date
			Guidance Notes to ensure DBS arrangements are robust and minimise risk to BCC and its service users.	
13	The serious incident (referred to in the report) by one of the commissioned transport providers, in relation to the DBS and safer recruitment process must be independently formally investigated to establish how this occurred as well as identifying how the systems can be improved to prevent it from happening again.	High	Commissioning Officer – Clive Heaphy. Independent Investigating Officer outside of the service will be undertaken to investigate the incident cited in original Audit Report. Recommendations on system improvement to be included in Investigation Report.	Officer Responsible: Craig Scriven, (new) Assistant Director, Human Resources Agreed Implementation date: Investigation report to be produced by 4 November 2019
14	Quality assurance checks in relation to the drivers and the providers must be introduced as soon as possible to monitor and manage the quality of services. The results of these should be recorded and results analysed and issues rectified.	High	Recommendation fully accepted. 16.07.19 update Action complete. New arrangements in place underpinned by quality assurance protocols. Repeat Audits set at quarterly intervals.	Officer Responsible: Jennifer Langan, Team Manager – Travel Assist Lead. Agreed Implementation date: 30 th June 2019.

Rec No.	Recommendation	Priority	Management Response	Responsible Officer / Implementation Date
15	KPIs should be drawn up to measure the achievement of key service delivery objectives and MI produced on a monthly basis to monitor the results. For example; quality assurance checks – target to actual. These should be reviewed by the Head of Service and appropriate Assistant Director on a monthly basis.	High	Recommendation fully accepted. 16.07.19 update Action on track.	Officer Responsible: Nichola Jones, Assistant Director SEND and Inclusion – Education & Skills. Agreed Implementation date: 30 th September 2019
16	Dedicated contract management capacity should be put in place to manage home to school transport contracts.	High	Recommendation fully accepted. 16.07.19 update Action complete.	Officer Responsible: Nichola Jones, Assistant Director SEND and Inclusion – Education & Skills. Agreed Implementation date: 30 th June 2019 – complete.
17	Any sub-contracting of routes must only be undertaken once all legal and contractual requirements have been met and proper approval has been given. This must not be done on the basis of a verbal agreement.	High	Recommendation fully accepted. 16.07.19 update Action complete. Unauthorised sub-contracting routes have ceased. Contract compliance checks in place.	Officer Responsible: Nichola Jones, Assistant Director SEND and Inclusion – Education & Skills. Agreed Implementation date: 30 th June 2019 – complete

Rec No.	Recommendation	Priority	Management Response	Responsible Officer / Implementation Date
18	Any future contracts, where Cabinet delegate approval for their extension to the Directorate must be actioned and authorised by the Director of Education & Skills. The reasons for extending the contract must also be recorded as part of any approval and reported to Cabinet once complete.	High	Recommendation fully accepted. 16.07.19 update Action complete. Retrospective approvals have been made where this is possible, and where this was identified as a gap.	Officer Responsible: Nichola Jones, Assistant Director SEND and Inclusion – Education & Skills. Agreed Implementation date: 30 th June 2019 – complete.
19	Where required, amendments made to contracts should be done through a Deed of Variation to ensure these variations are legally enforceable. The use of CPS will help ensure this is done correctly.	High	Recommendation fully accepted. 16.07.19 update Action complete. This is included in the contract management plan and arrangements.	Officer Responsible: Nichola Jones, Assistant Director SEND and Inclusion – Education & Skills. Agreed Implementation date: 30 th June 2019 – complete.