

ANGUS COUNCIL

EDUCATION COMMITTEE

21 AUGUST 2001

SUBJECT: SCHOOL CONVEYANCE CONTRACTS - REVIEW OF CONTRACT PRICES

REPORT BY DIRECTOR OF EDUCATION AND DIRECTOR OF PLANNING & TRANSPORT

Abstract: This report recommends a contract price increase of 3.36% for eligible contracts, effective from 1 July 2001.

1 RECOMMENDATION

It is recommended that the Committee:-

- (i) approve the award of a 3.36% contract price increase for eligible school conveyance contracts effective from 1 July 2001.

2 INTRODUCTION

- 2.1 School conveyance contract prices are reviewed on an annual basis. This review is undertaken either on 1 July each year or on the day immediately after the end of the academic session whichever is the later.
- 2.2 Members will recall that school conveyance contracts in the Arbroath, Carnoustie and Dundee Rural (Tealing, Liff, Auchterhouse) areas have been retendered for the 2001/2002 academic session. These contracts are not subject to this inflationary price increase.

3 CALCULATION OF CONTRACT PRICE INCREASE

- 3.1 The formula for calculating the contract price increase is based on the indexed price movements details in Tables 18.2 and 18.11 of The Central Statistical Office's Monthly Digest of Statistics. The weightings used are as follows:-

Table	Weighting	Factor
18.2	General Index of Retail Prices - Motoring Expenditure	40%
18.11	Average Earnings Index - Transport and Communications	60%

- 3.2 The actual calculation of the annual percentage increase is based on yearly comparisons of monthly figures, with the individual monthly comparisons averaged to produce the annual percentage increase.

4 FINANCIAL IMPLICATIONS

- 4.1 Using the approved formula, the annual increase in contract prices effective from 1 July 2001 is 3.36%. This will apply to all school conveyance contracts of more than 17 months duration entered into prior to 1 January 2001, which are continuing to operate in the 2001/2002 academic year. Taking into account this inflationary price increase, the increase in expenditure for those contracts subject to inflationary increases is estimated to be £11,500 in the current financial year and £16,000 in a full year.
- 4.2 Taking into account the inflationary price increases, the estimated expenditure for home to school transport for the 2001/2002 financial year will be £1,564,000 which compares with a budget provision of £1,548,000. The balance of £16,000 will be contained within the Education Department Revenue Budget.

5 HUMAN RIGHTS IMPLICATIONS

There are no Human Rights implications arising directly from this report.

6 CONSULTATION

- 6.1 The Chief Executive, Director of Law & Administration and the Director of Finance have been consulted in the preparation of this report.

7 CONCLUSION

- 7.1 This report details the percentage annual increase due on school conveyance contracts and the resulting budgetary implications.

NOTE

No background papers, as defined by Section 50D of the Local Government (Scotland) Act 1973, (other than any containing confidential or exempt information) were relied on to any material extent in preparing the above Report.

AA/LEM/IAL
1 August 2000

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