

NORTH YORKSHIRE COUNTY COUNCIL**EXECUTIVE****26 JULY 2011****COMMUNITY TRANSPORT FUNDING****1.0 PURPOSE OF REPORT**

- 1.1 To update the Council Executive on funding for Community Transport (CT) and to seek approval for the proposed methodology for disbursement of CT grant funding.

2.0 BACKGROUND

- 2.1 In March 2011 the Department for Transport (DfT) announced a £10m one-off fund to be allocated to local authorities to enable them to fund Community Transport schemes. In his written statement, Norman Baker wrote, "Today's package of support for Community Transport represents an important opportunity to invest in the future to provide more sustainable transport for local communities".
- 2.2 The funding was distributed to councils using a formula based on rurality. This means that NYCC was allocated £415,987, the third highest amount in England.
- 2.3 In practice, the funding has been paid to the Council in March 2011 without any specific requirements as to its use. The expectation from the DfT is that the funding will be "rolled over" into the 2011/12 and 2012/13 financial years.
- 2.4 This funding now sits alongside other funding streams which are available to the CT sector.
- 2.5 What do we mean by community transport? "Community transport is a term covering a wide range of transport solutions usually developed to cover a specifically identified transport need, typically run by the voluntary sector for the local community on a not for profit basis."¹
- 2.6 The following table (table 1) summarises the funding available to support community transport in the county from the council and Primary Care Trust (PCT).

¹ Valuing Community Transport A guide for commissioners of Transport Services: CTA 2010

Table 1: Funding sources for community transport

Funding Stream	Value in 2011/12 £000's	Value in 2012/13 £000's	Comments
BES IPT Support for bus services budget	180	180	
HAS/PCT * "Block grants"	190	190	This funding is allocated to specific providers through historic arrangements
Regional Funding Allocation funding for Richmondshire	115	0	This funding is allocated to specific projects in Richmondshire as approved by Richmondshire DC Strategy Board.
DfT allocation	416	0	
Total	901	370	

For expenditure amounts in 2010/11 see appendices 1 & 3

*These are performance based service level agreements negotiated in the late 1990's.

3.0 COUNCIL POLICIES AND STRATEGIES

3.1 The Council's Local Transport Plan (LTP3) provides the core policy and strategy for transport in North Yorkshire and in particular the key objective to "promote greater equality of opportunity for all by improving people's access to all necessary services" is relevant to Public and Community Transport.

3.2 In support of this the Council has a Community Transport Strategy. This was originally developed as a Community Transport Strategy for North Yorkshire in 2004 and has recently been updated on behalf of the North Yorkshire Chief Executives through a task and finish group led by Wallace Sampson. This group recommended that there should be:

- A greater strategic approach involving the pooling of budgets for CT within the county.
- A bidding process should be adopted with clear guidance over expected outcomes and standards.
- A commissioning-led approach should be adopted.
- Development of quality standards for CT to underpin Service Level Agreements (SLAs).
- Operators should start working towards sustainable operating models, before funding is agreed.

- 3.3 Some progress has been made towards implementing these recommendations, particularly in relation to a clear application process for grant funding from the County Council, and in the development of a quality standard for CT, where the Community Transport Association² has produced 'the CTA Quality Mark'

4.0 FUNDING MECHANISMS

- 4.1 Essentially there are three funding mechanisms available to the Council and CT providers:

1. Grants. These are made available to CT providers because their aims complement the Council's objectives, for example, with regard to access to services. Under our present arrangements CT providers can apply for grants. In doing so they need to demonstrate how funding will be used to ensure the development of transport services. A list of grants awarded in 2010/11 is attached for information (see Appendix 1).
2. Commercial Contracts. These are transport services which the Council procures through competitive tendering/quotations as part of our obligations to provide home to school transport services/transport for elderly and adults with learning difficulties/public transport services. A list of voluntary sector providers who hold "commercial contracts" and their value in 2010/11 is attached for information (see Appendix 2).
3. Commissioning process. This is where the Council will specify and procure a service to achieve a desired outcome through the award of a contract or in appropriate circumstances by means of a conditional grant. While this was used in the late 1990's to create "HAS/PCT Block Contracts" which are still in place, it is not used at present. Commissioning is specifically referred to in the recommendations from the Wallace Sampson review. A list of recipients of block contracts together with their value in 2010/11 is attached for information (see Appendix 3).

5.0 LOOKING TO THE FUTURE

- 5.1 There are many aspects to Community Transport provision in North Yorkshire, each with different requirements. For example, community car schemes have low organisational overheads but don't generate any (surplus) income from their activities and thus some support for core costs is essential for their survival.
- 5.1 In determining how the additional funding could be best spent we have sought the views of CT providers. We met collectively with providers in March and had some initial discussions; subsequently we invited them to submit written comments and their responses are set out at Appendix 4. In total, eight

² Community Transport Association is a national representative body for Voluntary and Community Transport

organisations responded and their comments generally support our proposals for targeted grant funding to individual organisations. The most frequent request was for capital funds for new or replacement vehicles.

- 5.2 Table 1 above identifies over £1.27m which is available to support Community Transport in the next two years from the County Council and PCT and it is essential that this funding is properly and effectively targeted.
- 5.3 Of the funding identified, the £190k from HAS/PCT relates to contracts which are historical, originating in the late 1990's and subsequently reviewed and extended. In order that we can make best use of the pooling of funding it is suggested that we should review these particular contracts to determine whether the allocations are still appropriate and ensure that the funding is properly targeted. The review process would necessitate the termination of existing arrangements with six months' notice during which time organisations across the county would be entitled to apply to the Council for grant funding.

6.0 PROPOSED GRANT DISTRIBUTION PROCESS

6.1 APPLICATION

6.1.1 It is proposed that with effect from 2011/12, organisations must apply for grant funding using a standard application form (example of form attached as Appendix 5). The availability of the funding will be promoted across the county to give existing and new CT organisations the opportunity to apply.

The following are examples of the type of schemes the Council would consider:

6.2 REVENUE

- a. Development funding to improve efficiency and sustainability of organisations and services.
- b. Increased Marketing of services.
- c. Revenue support for CT services where these replace conventional public transport.
- d. Support to achieve the new CTA Quality Mark
- e. Core support for organisational overheads in appropriate circumstances where community transport infrastructure is essential. (NB see 6.4.3 below)

6.3 CAPITAL

- a. Replacement vehicles for existing schemes
- b. New vehicles for kickstart schemes where ongoing revenue at a sustainable level can be identified
- c. IT and office equipment to support particular services or initiatives

6.4 ASSESSMENT PROCESS

6.4.1 In determining a request for funding, the County Council will assess the application with the following criteria in mind:

- There is clear evidence of unmet need and meeting this will support the Council's priority outcomes.
- Organisations meet or exceed required quality standards (CTA Quality Mark), or funding will enable them to meet these standards.
- Can demonstrate organisational efficiency, sound financial management and has considered the benefits of closer co-operation with other providers.
- It will be possible to quantify the benefits of the service/item being proposed.
- Where funding is for kickstart projects, a clear sustainable revenue stream beyond the initial period can be identified.

6.4.2 Approved grants will be documented in a formal grant agreement which will include conditions for claw back in the event of default.

6.4.3 The County Council will not award grants for core support where organisations hold County Council 'commercial contracts' for transport.

6.4.4 In approving a grant application, County Council will need to be satisfied that the award does not confer a competitive advantage to the organisation were they to subsequently bid for council commercial contracts for transport.

6.5 DECISION-MAKING ARRANGEMENTS

6.5.1 It is proposed that the Executive delegate the allocation of grant funding, to be assessed in accordance with the criteria set out in this report, to the Corporate Director Business and Environmental Services, in conjunction with Executive Members, for grants which are less than £100k. Requests for grants in excess of £100k will be subject to a separate report to the Executive.

6.5.2 This delegated power will be consequentially recorded in the Officers Delegation Scheme as a new paragraph 4.4(q).

6.6 MONITORING AND REPORTING

6.6.1 As part of the application process operators would be asked to identify clear outcomes and outputs that can be reported against. NYCC currently collects passenger figures on a quarterly basis from many operators that have received significant amounts of funding through IPT.

6.6.2 When applying for funding, operators would be asked to provide information around and evidence of individuals that the scheme has/will benefit, geographical areas of operation, whether a partnership approach has been considered and what (if any) alternative forms of transport are available in the area. Quarterly reports should then be produced to demonstrate that the outcomes have been achieved.

7.0 LEGAL IMPLICATIONS

7.1 It is important that in making grants available the Council exercises a significant level of diligence. In particular:

- That it is satisfied that it has the legal power to make the grant
- That appropriate conditions are attached to the grant
- That it has appropriate approvals to make the grant

8.0 RECOMMENDATIONS

8.1 That the Executive delegates the allocation of grant funding as set out in paragraph 6, and recommend to County Council that the Scheme of Delegation to Officers set out in the Constitution be amended accordingly.

8.2 That the Executive agrees to terminate, with 6 months notice effective from 1 September 2011, and review the existing block contracts funded by Health & Adult Services.

DAVID BOWE
Corporate Director Business & Environmental Services

Background documents: None

Author of Report: Richard Owens

APPENDIX 1

Grant Payments to CT Projects

Projects 2010/11			
Description	IPT including ¹ RAOP £	² RFA £	TOTAL £
Wheels 2 Work	20,000		20,000
Ryecat core funding	20,000		20,000
Reeth and District CT – vehicle	3,000	10,000	13,000
Harrogate and District CT core funding	50,000		50,000
Good Neighbours CT – Vehicle, launch of town ring and ride service and Coastal Car Scheme	15,000		15,000
Bentham CT –core funding	15,000		15,000
Esk Moors Active – Vehicle		10,000	10,000
Scarborough DAR – Vehicle		37,000	37,000
Hambleton car schemes	25,000		25,000
Thirsk car scheme	2,000		2,000
TOTAL	150,000	57,000	207,000

¹RAOP = Rural Access to Opportunities Program Rural Demand Responsive Transport

²RFA = Regional Funding Allocation

APPENDIX 2

List and value of 'commercial contracts' to CT and voluntary sector organisations 2010/11			
All Organisations	"Commercial" IPT contracts?	Number of contracts held	Total Value 2010/11 £
Bentham CT	Yes	6	41,299
Dial A Ride Scarborough & District	Yes	6	54,219
Easingwold District CCA	Yes	1	844
Good Neighbours CT	Yes	5	21,545
Harrogate & District CT	Yes	67*	972,902
Northallerton V S A	Yes	1	1,007
Reeth & District CT	Yes	4	37,260
Richmondshire C V S	Yes	1	3,846
Ryecat	Yes	3	27,662
S.C.A.D	Yes	2	12,299
Selby District A.V.S	Yes	6	21,149
Stokesley CCA	Yes	1	4,478
Tadcaster Volunteer Car Service	Yes	1	1,419
York Wheels	Yes	2	3,548
Total		106	1,203,477

* This includes contracts held on behalf of Bentham CT and Ryecat

APPENDIX 3**Details of HAS/PCT Block contracts to CT providers 2010/11**

	ACS £	PCT £	Total £
Tadcaster Car Scheme	5,570	3,838	9,408
Selby AVS	21,413	5,072	26,485
Good Neighbours Community Transport Whitby	16,643	N/A	16,643
Ryecat (Malton)	26,503	N/A	26,503
HDCT (Harrogate)	90,585	20,152	110,737
TOTAL	160,714	29,062	189,776

Responses from CT sector regarding the DfT funding

Age Concern North Craven

We will certainly want to bid for funds because the withdrawal of the Little Red Bus service from Settle (effective as from tomorrow) leaves us as the only door to door service provider here. We have lost £3k of funding (received historically over many years) from NYCC ACS but, at the same time, there is an increased demand for our services.

I have to phone an ACS worker today to say that there is now no Little Red Bus service for his wheelchair-bound client and that, with our current resources, we do not have the capability to transport her to the clubs which provide her social contact - she will be confined to home. This is why I tried to emphasise to John in our group meetings yesterday, that the £416k should be distributed in several small units (say a max of £20k) to meet real local needs rather than a grandiose large grant to one or two CT providers. £20k would, for example, allow purchase of a second-hand converted MPV and its running costs for several years.

I was amazed that, within our group, one participant suggested that funds be allocated to marketing because their transport service had failed to get off the ground in a two year period - I have to say that in the current situation that would be money wasted given that we have existing demand but inadequate resources to meet it!

We have provided transport for older people in North Craven for over 15 years. We have our own minibus and a private car scheme. Both are busier now than ever before, with demand increasing year on year.

We have been funded by NYCC Adult and Community for over 10 years and were very disappointed to lose this funding recently when transport no longer met their criteria, particularly when many of our referrals come from Adult and Community Care workers. This has put considerable strain on our ability to provide the services that are so crucial in this rural area. The minibus is currently operational every weekday and most weekends as well. We are often unable to meet the number of requests for the private car scheme.

We have 1 part time co-ordinator and 40 volunteers working on our transport service and clearly meet the government's aspirations of 'The Big Society' but we need funding to sustain the service.

Can I request that serious consideration be given to NYCC properly supporting and funding us to provide our Community Transport service which is so vital in this area.

Comment by Corporate Director in relation to this response: The Health and Adult Services Directorate have issued guidelines for its staff when a transport need has been identified as part of a person's care package. These guidelines enable staff to talk through the best options for transport to ensure that they are best suited to fit around a person's life. They are not an assessment tool or a change in criteria. The guidelines have been developed with reference to best practice nationally."

Scarborough Dial a Ride

Just in case any of the £416k can be used for capital spend – depending on how many we are successful in securing (if any), would there be anything available for second hand large capacity minibuses. A couple of the runs are very rural if that helps!!

Bentham CT

In response to your request for comments on the community transport funding, here's what we think!

From our point of view, a major need is to replace some of our older vehicles. We have two non-accessible LDVs we could sell (but they won't make much!) and we would like to buy one newer vehicle to replace them.

It would be of great benefit to us to be able to keep the bus we have been using for 14-19s with us.

We now have a MiDAS trainer in Bentham, so we could do some NYCC driver training if that would be useful.

We would like to work with NYCC to identify gaps in provision and offer services where the gaps exist.

Commissioning from NYCC is better for us than tendering.

St John's Centre

As you know, we are enormously grateful for your grant to replace one of our buses. We have already had interest from two organisations to hire it on a regular basis in addition to our own use so we look forward to it being well used. At the moment, our insurance is a bit restrictive as to who we can hire it to, so we are examining this to see if it is worth extending to include other groups (eg at present we can only hire to registered charities).

Can I register a plea for further funding to replace the other bus which is also past its "sell by" date? We will be using the new bus to spare it as much as possible. If you get any requests for funding for youth groups who would be wanting a bus principally for weekends and evenings we would be delighted to partner them.

Community Transport in Hambleton & Richmondshire

North Yorkshire Wheels 2 Work - serves the whole County

North Yorkshire Wheels 2 Work has had to reduce the number of mopeds available for loan in North Yorkshire from 100 to 60 in 2011/12 mainly due to the summary loss of funding from Yorkshire Forwards Access to Opportunities Programme and Student Support, both administered by the county council. To increase the fleet to 100 mopeds in 2012/13 to help meet demand, assuming current funding is

maintained, will cost an additional £80,000 per annum in revenue funding and £30,000 per annum in capital funding. If the revenue funding is not available the capital can be used to purchase replacement mopeds at approx £1,500 each which helps by reducing maintenance costs and enabling older mopeds to be sold thereby both helping the person buying the moped and providing revenue funding for the scheme. For further information please contact Kevin Holt on: kevin.holt@ndvsa.co.uk <<mailto:kevin.holt@ndvsa.co.uk>> or go to www.wheels2work.co.uk <<http://www.wheels2work.co.uk>>

Hambleton & Richmondshire Community Car Scheme Partnership (H&R CCSP)

With a one off grant of £25,000 to the H&R Community Car Scheme Partnership the county council has ensured the participating car schemes of Richmondshire, Bedale, Northallerton & Stokesley will continue and also work together in a more coordinated way in 2011/12. Assuming the Hambleton District Council funding continues in 2012/13 the H&R CCSP will need the £25,000 annual funding from the county council to continue if they are to merely survive; and at least a further £20,000 per annum if they are to expand to include Easingwold, Thirsk and the currently poorly served parts of Richmondshire. All of the organisations running the car schemes rely funding for other functions such as volunteer centres without which the car scheme function would be threatened. For further information please contact Kevin Holt on: kevin.holt@ndvsa.co.uk <<mailto:kevin.holt@ndvsa.co.uk>> or go to www.wheels2work.co.uk <<http://www.wheels2work.co.uk>>

Community Minibus Operators in H&R

The most frequent requests we receive from community minibus operators in H&R are, where do we go for capital funding to replace our old minibus? and who does MiDAS training? The MiDAS training is not a problem (and the cost is covered by the fees charged) but capital funding is, especially since HDC withdrew their capital funding programme last year. There about a dozen genuine CT minibuses in H&R and a further two dozen owned by organisations primarily for their own use. We propose NYCC considers setting up a capital grants programme for CT minibus operators that meet certain minimum standards. Perhaps offering £15,000 per minibus or 50% of the cost, something like that. There are Community Minibuses provided by local groups with differing priorities, client groups and methods of operation in Stokesley, Osmotherley, Appleton Wiske, Northallerton, Thirsk, Easingwold, Bedale, Catterick Garrison, Reeth, Bainbridge and Hawes.

HDCT

A. £100,000 Community Transport

- Maintain, manage and improve community transport services; this includes the efficient delivery of community bus and car volunteer schemes, public and commercial sector contracts and local bus services.
- Work with NYCC to deliver a variety of packages, including:
 - assisting in achieving efficiencies,

- maintaining and improving transport services, both in the Harrogate district and in other parts of North Yorkshire, where required.

- Continue to seek out gaps where commercial and subsidised services are not affordable – and introduce appropriate services.
- Utilise a range of funding streams in order to work with communities to assess individual needs and deliver accessible, affordable transport solutions.
- Work with NYCC and other providers to identify and deliver affordable transport solutions

B. £8,000 Networks: for discussion

- Assist smaller providers to access contracts in new geographical and operational areas.
- Continue to manage the Little Red Bus Network contracts and develop methods and systems to achieve more cost effective management and monitoring.

C. £15,000 Integration: for discussion

- Use the successful NYCC / ACS / Social Services Fleet and Little Red Bus integration project as the basis to improve efficiencies in the delivery of services to:
 - individuals receiving direct transport services,
 - individuals on personal budgets,
 - and individuals in the community, who need preventative services.

A conservative estimate is that delivery and implementation of integration would generate savings of at least 15% of NYCC's ACS transport budget.

- This process should also include the integration of non-emergency health transport provision.

D. £25,000 Technology: for discussion

NYCC, Futurebuilders and HDCT have invested over £200,000 in developing an advanced IT scheduling system, which can support and deliver data management and integrated transport systems, as well as scheduling software for CT operators, local authorities, statutory agencies, the voluntary sector and commercial operators. This system should be developed and improved, linking the original investment with technology which is now available, so that it can be open to and benefit all of these stakeholders.

The capacity and capability of the scheduling system (journey planner software) offers opportunities to support the development of car volunteer services and the delivery of more services at less cost.

E. £5,000 Training: for discussion

HDCT has developed a transport training infrastructure, which could be used to work with partners to support a county wide training service.

This could provide more cost effective and locally based training and support the sustainability of local CT providers.

The operation could:

- maintain, manage and monitor the quality of services delivered,
- improve the efficiency and cost effectiveness of the service,
- improve and increase the range of training opportunities available.

HDCT and Little Red Bus are keen to work with NYCC in order to maximise the return achieved from the £595,000, which is now available for NYCC to invest into the community transport sector in North Yorkshire.

A working group, which includes CT providers, NYCC and District Council representation, should be established to receive and consider proposals. This could be supported by a community transport user group, which would consider recommended proposals.

The community transport user groups already exist and the number of active community transport providers in North Yorkshire, who would be available to attend regular county wide meetings is probably less than ten. If all information was circulated by the CT web site blog, which is being developed, all CT organisations could be kept informed and all stakeholders would have an opportunity to participate, comment and be aware of the outcomes.

Ryecat

Efficiencies are possible through the relocation from rented premises, of the Ryecat offices and our vehicle storage, by the establishment of a low-revenue-cost depot to operate CT and County ACS services from. The purchase of a brownfield site on the industrial estate and its subsequent development would require a one-off capital investment and considerably reduce revenue overheads year-on-year. This would enhance sustainability for CT in Ryedale and continue to deliver the County and ACS services in a cost efficient way, by having a depot close to the client groups being served.

Other Ryedale initiatives that would support the LST ethos include the Wheels to Work project (our North Yorkshire project was specifically mentioned by Norman Baker in his ministerial speech) and the deployment of MPVs allowed under CT Section 19 permits since October 2009. We have recently invested our own

resources in our first MPV and can justify further investment in this economical mode of accessible transport by adding others to our fleet. Expansion of our service provision would enable us to meet the needs of the 15% of enquiries that we currently are unable to match up with the necessary transport to carry out their journey.

Finally, an extension to the Demand Responsive Transport available in Ryedale would provide a more comprehensive and necessary journey option for the hardest to reach residents struggling because of rural isolation.

Funding Application Form

SECTION 1: THE ORGANISATION	
1. Name of Organisation	
Contact details	
Main contact name	
Position in Organisation	
Address including postcode	
Telephone	
Email	
Reserve contact name	
Position in group	
Address including postcode	
Telephone	
Email address	
Financial information	

<p>Please provide the following information:</p> <ul style="list-style-type: none"> • Total annual expenditure (specify financial year) • Total income • Number of Volunteers • Number of FTE office staff • Number of FTE paid drivers • Number of FTE passenger assistants • Total expenditure on staff (office-based, drivers/passenger assistants, volunteer expenses) 	
SECTION 2: THE PROJECT	

<p>What are the main objectives and activities of the group?</p>	
<p>Provide a description of the project or capital item you are applying for</p> <p>Please provide details of the</p> <ul style="list-style-type: none"> • Details of services/items to be funded • Area of operation • Client Group • Partnership working (has partnership been considered) • Evidence of demand • Value for money – have other alternatives been considered? • Timescales, including start date and duration of project (3 years maximum*) 	

<ul style="list-style-type: none"> • Other details of match funding (not essential) <p>*Where a capital item is being purchased, please indicate the timescale over which it will be depreciated.</p>																	
<p>Please give further information relating to:</p> <ul style="list-style-type: none"> • Identified demand • Demography • Improvements to access opportunities • Levels of patronage (please supply passenger numbers by service for the last financial year) 																	
<p>Please explain what the implications will be if this project does not receive funding.</p>																	
<p>Section 3: Financial Information</p>																	
<p>How much funding are you applying for?</p>	<table border="1"> <thead> <tr> <th></th> <th>Year 1</th> <th>Year 2</th> <th>Year 3</th> </tr> <tr> <th></th> <th><i>2011/12</i></th> <th><i>2012/13</i></th> <th><i>2013/14</i></th> </tr> </thead> <tbody> <tr> <td>Revenue</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Capital</td> <td></td> <td></td> <td></td> </tr> </tbody> </table>		Year 1	Year 2	Year 3		<i>2011/12</i>	<i>2012/13</i>	<i>2013/14</i>	Revenue				Capital			
	Year 1	Year 2	Year 3														
	<i>2011/12</i>	<i>2012/13</i>	<i>2013/14</i>														
Revenue																	
Capital																	
<p>Please explain how the above figures have been calculated and whether the project is being fully or partially met by the above amounts.</p> <p>How have these costs previously been met?</p>																	
<p>Please state whether this funding</p>																	

will:

- a. Provide core funding**
- b. help to sustain an existing project**
- c. extend an existing project**
- d. provide a new resource/service**

Please explain your answer