

HAMPSHIRE COUNTY COUNCIL

Decision Report

Decision Maker:	Executive Member for Environment and Transport
Date:	5 March 2013
Title:	Community Transport Contract and Grant Awards
Reference:	4763
Report From:	Director of Economy, Transport and Environment

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1. Executive Summary

- 1.1 The purpose of the paper is to recommend an extension to the existing Wheels to Work contract which provides young people with the opportunity to access employment and training opportunities within four district council areas of Hampshire.
- 1.2 The paper also considers the continued funding of the YelaBus service in Yateley. It seeks to outline the background and funding history to supporting this particular scheme, reviews current performance and recommends the award of a grant to YelaBus for the next financial year.

2. Wheels to Work Scheme Contract

- 2.1. The Wheels to Work Scheme provides short term loans to young people to help them access employment and training opportunities. The scheme operates in East Hampshire, New Forest, Test Valley and Winchester. The countywide scheme has the capacity to loan out 34 mopeds across the four districts covered.
- 2.2. District councils in each of the above areas contribute towards the scheme, with the exception of Test Valley Borough Council, which withdrew its funding prior to the introduction of the current contract. The number of mopeds available in each of the areas reflects the level of district council contribution: East Hampshire (12), New Forest (8), Test Valley (4) and Winchester (10).
- 2.3. The current contract commenced on 1 August 2009, with an initial two year contract period, but with the ability to extend to a maximum contract term of six years subject to continued district council contributions and the satisfactory performance of the contractor. Further extensions to 31 March 2013 have subsequently been agreed

- 2.4. New Forest District Council has already agreed funding for the scheme until 31 March 2015. Funding from East Hampshire District Council and Winchester City Council is currently in place until 31 July 2013 by which time these councils will have considered their future funding contributions to the Wheels to Work scheme.
- 2.5. The initial contract can be extended up to six years, so it is proposed that authority be given to incrementally extend the existing contract up to 31 July 2015, with appropriate reductions in value and service provision should there be any reduction in contributions from the district councils during this period. It is also proposed that the Director of Economy, Transport and Environment be given delegated authority to vary the contract and service provision, in consultation with the Executive Member for Environment and Transport, as may be required as a result of any changes to district council funding contributions. Any changes which are likely to result in reduced service provision may require an impact assessment to be undertaken.
- 2.6. The contributions from district councils towards the proposed contract extension will need to be covered by Deeds of Agreement with the County Council. These will confirm district council financial contributions for the incremental extensions of the contract. It is therefore proposed that the Executive Member gives approval for the County Council to enter into Deeds of Agreement with each of the respective funding partners for each incremental contract extension up to 31 July 2015.
- 2.7. The maximum annual value of the contract is £69,000 of which £45,364 is funded by the County Council through the Community Transport Budget. The remaining sum is funded by district councils. The total value of the proposed contract extension is estimated at £161,000, of which £105,849 relates to Hampshire County Council, with the remainder being met by other funders.

3. Future Support to YelaBus

- 3.1. YelaBus is an established organisation providing mini-buses for groups in Yateley and is well regarded locally. YelaBus received substantial Lottery grant funding from 2000-2006 enabling the employment of paid drivers without the need to pass the costs on to hirers. Other schemes in Hampshire use volunteer drivers or charge a premium to recover the extra cost of providing a paid driver. It is this distinction which puts YelaBus at odds with all other such schemes in Hampshire and has led to the demand for subsidy funding which is not provided to schemes elsewhere in the County.
- 3.2. Since 2006 the County Council has provided grants to enable YelaBus to make the transition to working as other schemes do, with greater use of volunteers or full cost recovery of paid driver costs. A grant of £6,500 is being provided during 2012/13.
- 3.3. The current funding arrangement with YelaBus comes to an end on 31 March 2013. The scheme provides the County Council with quarterly progress

reports and these show how the scheme has performed during 2012 in comparison to previous years. The statistics for the key indicators have been included in the table below.

	2009	2010	2011	2012
Number of Minibus Hires	440	450	476	467
Hires using Paid Drivers	312	262	215	187
Hires using Volunteer Drivers	128	188	261	280
Number of Passenger Trips	9,784	9,880	10,450	9402

3.4. The above table shows:

- a) a slight reduction in the number of minibus hires in 2012 from 2011, although this is still higher than the two years which preceded 2011.
- b) the number of minibus hires provided with paid drivers in 2012 reduced to 187, which represented 40% of the overall number of hires, as opposed to 45% in 2011 and 70% in 2009.
- c) That Yelabus have over the period been able to maintain the transport service which they provide, with some modest growth, whilst moving to a greater use of volunteer drivers. This has resulted in expenditure on drivers' wages being reduced over the period.

3.5. Given the progress which the scheme has made, it is proposed that a further grant should be offered for 2013/14. The financial information provided by the scheme for the period 1 January – 31 December 2012 suggests that a grant of up to £6,500 would help to continue to support the operation of the scheme in the next financial year. It is therefore proposed that a grant of up to £6,500 be awarded to YelaBus for the period 1 April 2013 to 31 March 2014.

3.6. This grant would be funded under the Economy, Environment and Transport Other Purposes Grants Stream. This grant stream funds community transport projects or services which benefit the wider community and improve local accessibility whilst excluding any deficits on the operating costs of a minibus used for group hire (where the income from hires is less than the expenditure on the vehicle). A budget allocation of £10,000 is expected to be available for this grant stream in 2013/14 against which this grant would be paid. No other grant awards have yet been made against this.

3.7. The council will continue to work with YelaBus, through the countywide volunteer driver recruitment campaign, in order to recruit additional volunteer

drivers for YelaBus so that the scheme relies less on the use of paid drivers and can reduce its longer term operating costs.

- 3.8. Historically a grant has been provided to YelaBus to assist their move towards making a greater use of volunteer drivers. This would bring them into line with other schemes in Hampshire. Elsewhere, the County Council already supports, through contracts, a number of minibus group hire schemes in Hampshire which provide a pool of wheelchair-accessible mini-buses, available for hire by local voluntary and community groups.
- 3.9. In these cases the contribution made by the County Council, and in some cases other funding partners, usually represents the cost of the staffing and associated administration costs necessary to oversee the operation of a fleet of minibuses, to ensure that mini-buses are properly maintained and enable the recruitment and training of mini-bus drivers. The running costs of these minibuses are recovered through hire charges to user groups. Where paid drivers are used, the cost of this is recovered through the hire charges to user groups.
- 3.10. It is proposed that a similar approach should be adopted for YelaBus who employ a Transport Manager to oversee the operation, the management of the vehicles which they operate, and the transport which they provide. The contribution made to the scheme through the grant would be a contribution towards the staffing and administration costs involved in operating the scheme. The responsibility for resourcing the cost of operating the vehicles and using paid drivers would then solely be a matter for the scheme.
- 3.11. The Hart District Council area is served by both YelaBus and Rushmoor Voluntary Services who have a single tender contract with the County Council to provide a minibus group hire scheme in Rushmoor Borough and the parts of Hart not served by YelaBus. The annual value of this contract is £15,450. If this amount was apportioned equally across the two districts then together with the YelaBus grant this would suggest that the County Council would be providing some £14,225 in 2013/14 to support minibus group hire facilities in Hart. This is comparable to schemes in other parts of the County.
- 3.12. The council's normal conditions of grant would apply to this award. In addition it is proposed that the grant is awarded to YelaBus on the basis that the following conditions will be met.
 - (a) Provide a 'group hire' minibus operation under Section 19 Standard Permits, to enable eligible local voluntary and community groups to hire minibuses at affordable rates.
 - (b) Maintain a pool of volunteer drivers so that minibuses can be provided for hire, complete with a MiDAS-trained driver where requested.
 - (c) Ensure that charges made to passengers and vehicle hirers include an element of depreciation so that Yelabus accrues money towards replacing its vehicles.

(d) Work with the Council's Community Transport Team on community transport matters in Hart to identify the need for and assist in the development of local community transport initiatives.

3.13. The consultants who undertook the Community Transport review for the County Council recommended that a rationale needs to be developed to allocate funding to support community transport schemes and that this should be applied in a consistent way to all group hire schemes in Hampshire, including YelaBus. The Executive Member for Environment and Transport has previously agreed that any longer term support for YelaBus should be consistent with this approach. Adopting the proposed approach outlined above would be a move towards this objective.

4. Conclusion

4.1 The existing Wheels to Work runs until 31 March 2013. As the contract can be extended up to six years, this report seeks approval to incrementally extend the existing contract up to 31 July 2015 as required, with appropriate reductions in value and service provision should there be any reduction in contributions from the district councils during this period. It also proposes that Deeds of Agreement be entered into with district councils regarding their funding contributions.

4.2 The current funding arrangement with YelaBus comes to an end on 31 March 2013. Given the progress which the scheme has made in meeting the milestones set during the last funding period, it is proposed that a further grant should be offered for 2013/14 and that the additional grant conditions as set out in 3.12 of this report be applied to the grant award.

5. Recommendations

5.1 That approval be given to incrementally extend the existing contract for the Wheels to Work scheme up to 31 July 2015 as required, with appropriate reductions in value and service provision should there be any reduction in contributions from the district councils during this period.

5.2 That the Director of Economy, Transport and Environment be given delegated authority to vary the contract and service provision, in consultation with the Executive Member for Environment and Transport, as may be required as a result of any changes to district council funding contributions.

5.3 That approval be given for the County Council to enter into Deeds of Agreement with each of the respective funding partners for each incremental contract extension for the Wheels to Work scheme, up to 31 July 2015.

5.4 That a grant of up to £6,500 be awarded to YelaBus for the period 1 April 2013 to 31 March 2014, on the basis that the following grant conditions will be met:

- (a) Provide a 'group hire' minibus operation under Section 19 Standard Permits, to enable eligible local voluntary and community groups to hire minibuses at affordable rates.
- (b) Maintain a pool of volunteer drivers so that minibuses can be provided for hire, complete with a MiDAS-trained driver where requested.
- (c) Ensure that charges made to passengers and vehicle hirers include an element of depreciation so that Yelabus accrues money towards replacing its vehicles.
- (d) Work with the Council's Community Transport Team on community transport matters in Hart to identify the need for and assist in the development of local community transport initiatives.

CORPORATE OR LEGAL INFORMATION:**Links to the Corporate Strategy**

Hampshire safer and more secure for all:	no
Corporate Improvement plan link number (if appropriate):	
Maximising well-being:	yes
Corporate Improvement plan link number (if appropriate):	
Enhancing our quality of place:	no
Corporate Improvement plan link number (if appropriate):	

Section 100 D - Local Government Act 1972 - background documents

The following documents discuss facts or matters on which this report, or an important part of it, is based and have been relied upon to a material extent in the preparation of this report. (NB: the list excludes published works and any documents which disclose exempt or confidential information as defined in the Act.)

DocumentLocation

None

IMPACT ASSESSMENTS:

1. Equalities Impact Assessment:

- 1.1 The proposals in this report have been developed with due regard to the requirements of the Equality Act 2010, including the Public Sector Equality Duty and the Council's equality objectives. An assessment of the impacts in this service area can be found at [Safe and efficient transport systems in Hampshire](#).
- 1.2 It is considered that the issues covered by this report will not have impacts requiring further specific actions by the Council above those already established in its existing policies and working procedures. The proposed services should offer improved transport opportunities for the local community.

2. Impact on Crime and Disorder:

- 2.1. The services will support wider community involvement which can help to reduce crime.

3. Climate Change:

- a) How does what is being proposed impact on our carbon footprint / energy consumption?
YelaBus will be able to provide group transit journeys thus reducing some individual car journeys which may have otherwise taken place.
- b) How does what is being proposed consider the need to adapt to climate change, and be resilient to its longer term impacts?

In a changing context in which sustainable modes of transport become more and more important to mitigating climate change, the proposal provides a travel option for individuals and groups which is in keeping with the need to reduce carbon emissions.