

CABINET – 5 December 2013 EXECUTIVE SUMMARY OF AGENDA ITEM 13

Report title: COMMUNITY TRANSPORT COMMISSIONING

Wards affected: Citywide

Strategic Director: Neil Taylor, Interim Strategic Director for Regeneration

Report Author: Peter Mann / Service Director - Transport

RECOMMENDATION for the Mayor's approval:

1. That a final commissioning strategy be agreed once the available funds are confirmed by decisions made in respect of the Council's overall three year budget. This is currently scheduled for Cabinet on 1st April 2014.
2. That; to ensure the ability of all existing grant funded Community Transport providers to participate in the Commissioning process and prevent the potential collapse of the provider market and a gap in service, total budgetary provision for 2014/15 is retained at the current level (£1.1M) to support these organisations up until the newly commissioned services are in place.

Key background / detail:

a. Purpose of report:

To agree the level and means of interim funding for Community Transport from April 2014 up until the commencement of newly commissioned services.

b. Key details:

1. Community Transport has a pivotal role to play in enabling the community and voluntary sector to support the council in its objectives and vision for Bristol. It is vital to enabling many of the most vulnerable to maintain their independence, escape social isolation, have a better quality of life and retain or improve their health and wellbeing. All these benefits have preventative consequences for other council revenue budget pressures as well as for health and other public and voluntary services.
2. The Council is the primary funder of Community Transport services in Bristol. These are provided by six Voluntary, Community and Social Enterprise (VCSE) providers. Surveys of the City have shown that the demand far outstrips supply and is increasing. Funding is currently on an annual grant basis, supplemented, with the exception of Bristol Shopmobility, by a locally agreed concessionary travel rebate for journeys made by individual users with bus passes. The existing grant funding is set to expire at 31st March 2014. Without on-going funding, the majority of local providers would have to cease operations or significantly downsize and move away from the more costly door-to-door services for the most vulnerable.
3. A draft commissioning strategy with various options was developed and extensive consultation carried out during the first half of 2013. This consultation has raised many concerns that have been considered and are being incorporated into a revised strategy.

4. The decision on a formal commissioning strategy is now proposed to be made once the available budget has been confirmed. Since the final council budget decision is expected in February 2014, this decision is expected to be made at the Cabinet meeting that is scheduled for 1st April 2014. The subsequent process to procure, and implement new services is expected to take nine months and would be able to commence in May 2014. It will therefore be necessary to continue to support the existing provision for the majority of the 2014/15 financial year.
5. The current total grant funding for 2013/14 is £907K and the total cost of concessionary travel rebate for 2012/13 was £187K. The overall forecast increase in concessionary travel is estimated at between 3 and 10%. This information, combined with some provider's assessment of possible further efficiency savings, results in an estimated 2014/15 budget requirement of £1.1 million.
6. Background documents on the previous stages of the Community Transport commissioning process are available on the Bristol City Council website at: www.bristol.gov.uk/communitytransport

**BRISTOL CITY COUNCIL
CABINET
5 December 2013**

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Ward(s) affected by this report: Citywide

Strategic Director: Neil Taylor, Interim Strategic Director for Regeneration

Report author: Peter Mann / Service Director - Transport

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To agree the level and means of interim funding for Community Transport from April 2014 up until the commencement of newly commissioned services.

RECOMMENDATION for the Mayor's approval:

- 1. That a final commissioning strategy be agreed once the available funds are confirmed by decisions made in respect of the Council's overall three year budget. This is currently scheduled for Cabinet on 1st April 2014.**
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The proposal:

1. Introduction

- 1,1 Community transport is defined by the Community Transport Association (CTA) as "safe, accessible, cost-effective, flexible transport run by the community for the community". In Bristol, voluntary and community sector (VCS) providers have been supported by grant funding from the council for many years and also, in the past, helped to access funds for vehicles. The wide range of community transport services provided in the City at winter 2012 are detailed in the 'Market Position Statement' (*Refer to Background Documents*)
- 1.2 Community Transport has a key role to play in promoting social inclusion and improving the quality of life of many of the most vulnerable in society who have no

other alternatives means of travel. Community transport is a vital part of the overall transport provision in the city. The need for Community Transport services has been assessed and priority outcomes for the services developed with existing providers and other stakeholders. Consultation has been carried out on options for a strategy for commissioning services for the future.

2. Background

2.1 Evidence clearly indicates the need for significantly greater investment in Community Transport (CT) for the future. Community Transport offers a lifeline to those who would otherwise be trapped in their homes and for whom conventional transport is not accessible. Community transport is the key to the accessibility of many third sector services. Many CT users would have to turn to statutory council services for support without the independence that CT enables.

Comments that highlight some of the key issues include:

- Demand for Community Transport (CT) far outstrips supply and is growing.
- “CT is a lifeline”. “I would not get out of the house otherwise”. “I do not know what I would do without having my weekly shopping trip”.
- “Please ensure this transport keeps running as many of us elderly people would be housebound without it”
- “I have no other way of getting my shopping without the help from the CT drivers to unload it into my home”.
- “I feel too unsafe to attempt using any other form of transport”.
- Taxis cannot accommodate my wheelchair safely and I cannot guarantee that I can get back even if there is space on a public bus. CT is my only option.
- CT is a way to build confidence in getting out again. “I can attempt to use public transport when it’s dry and warm in summer, but I am at too much risk getting to and waiting at bus stops in the cold and wet or in the dark”.
- “Many of the people who come to our lunch club would not be able to attend without CT. Their nutrition would suffer and they would also lose the opportunity to meet others socially”.
- “Meeting the friendly drivers and others on the bus is often only people I see each week”.
- “Mobility aid hire is most useful to me. Without it I would find it impossible to visit Bristol...”
- “Volunteering as a CT driver has been a stepping stone for many towards full time employment”.
- “Community transport operators and third sector providers alike often struggle to demonstrate the ‘added value’ of transport and its impact on their service user’s lives. This, combined with the short term nature or insecurity of many of their funding sources, make it very difficult to secure contracts or other funding
- There is a growing need for greater availability of door to door services, extended services covering wider operating hours and supporting access to work, and evening and weekend activities.

The services CT provides are also fundamental to maximising the huge contribution that older people can make to society and in making Bristol a city in which it is easy for older people to get out and about, key tenets of the mayor’s vision for older people.

2.2 Six community transport providers are currently being funded with annual grants.

These are:

Organisation	Grant funding 13/14 (£)	Concessionary Travel Reimbursement 12/13 (£)*
Bristol Community Transport	166,102	8,323
Bristol Dial-a-Ride	484,808	91,654
The CATT Bus (Hartcliffe and Withywood Community Partnership)	91,810	48,100
Lawrence Weston Community Transport	36,582	10,316
The Mede Sprint	57,903	28,744
Bristol Shopmobility	69,758	Not Applicable
Total	906,963	187,137*

* Based on providers' estimated forecasts, this total is likely to increase by between 3 and 10% for 2013/14

- 2.3 A decision was made at the 9th June 2011 Cabinet that Community Transport funding arrangements would continue for the 2012/13 financial year in order to enable a full assessment of the needs and compliance with the Enabling Commissioning Framework. This process was expected to take approximately 18 months to complete. The future provision of Community transport resulting from this process was considered likely to be required to fit the available budget for direct support from the Council. As part of the council budget setting process for 2013/14 the community transport grant funding budget was reduced by £50k and this was specifically deducted from the annual grants for the two citywide providers on a pro rata basis.
- 2.4 In the last 5 years, grant funding of community transport has been reduced annually (with the exception of 2012/13) to a point where all providers, in an attempt to protect services, have been forced to reduce their reserves whilst trying to ensure they adhere to charity commission guidance to cover their commitments should funding cease (e.g. redundancy payments). Since 2009, the council has enabled these organisations to offer free travel (other than Bristol Shopmobility), through providing a rebate for each single passenger journey made by concessionary travel card holders (the current rate being £1.87 per journey). This is not part of the statutory scheme as that applies only to local bus services. The cost to the council of this decision has gradually increased, especially when funding local short distance journeys.
- 2.5 Details of the background documentation and development leading up to this report can be accessed online at www.bristol.gov.uk/communitytransport.

3.0 Proposal

- 3.1 Transport provision has high costs (maintenance, replacement and insurance of vehicles, fuel and driver costs etc.) that have increased at a greater rate than general inflation. A recent assessment of the percentage of existing providers' income that comes from the council's passenger transport budget indicates that even a short period without council funding would result in the closure of many of the current voluntary sector provider market with the remainder having to severely reduce their services for individuals and concentrate on group hire and other contracted work. Any gap in funding would require providers to commence redundancy processes for their employed staff to comply with the requirement for three months' notice. At present this process would need to commence before 1st January 2014. It would also risk the

loss of volunteers who are often well known and trusted by service users.

- 3.2 The decision on a formal commissioning strategy is now proposed to be made once the available budget has been confirmed. Since the final council budget decision is expected in February 2014, this decision is expected to be made at the Cabinet meeting that is scheduled for 1st April 2014. The subsequent process to procure, and implement new services is expected to take nine months and would be able to commence in May 2014. It will therefore be necessary to continue to support the existing provision for the majority of the 2014/15 financial year.
- 3.3 Requests have been made from all the providers to assess the funding required, including a forecast of potential concessionary travel, to retain service provision and ensure that they are able to engage in the commissioning process during 2014/15. Some providers have been able to offer small further efficiency savings. However, forecast increases in the number of concessionary travel pass holder journeys are such that the increase in rebate near balances these reductions resulting in a need for a similar overall budget to that for 2013/14.
- 3.4 It is therefore proposed that the current budget (for grant funding and concessionary travel rebate) totalling £1.1million is retained for 2014/15 with decisions on the values of individual grants to be agreed based on updated forecasts for concessionary travel rebate to remain within this budget.

4. Consultation and scrutiny input:

a. Internal consultation:

Details of the extensive consultation as part of the commissioning process will be detailed in the future cabinet report.

b. External consultation:

Details of the extensive consultation as part of the commissioning process will be detailed in the future cabinet report.

5. Other options considered:

- 5.1 To do nothing (accept that council grant funding for community Transport will cease at 31st March 2014) – This would guarantee the closure of the three local providers and the mobility aid hire service. It is also likely to require a severe reduction in the dial-a-ride service, the loss of most community buses and increased charges for any remaining group hire services that would in turn impact the ability of many voluntary and community services to operate and increase the costs for schools, youth organisations and other not for profit organisations. The impact on service users (mostly vulnerable older and disabled people) would be severe, resulting in increased social exclusion, loss of support networks, inability to access food supplies, deteriorating health and well-being and a resulting increased demand on all health and social care services.

6 Risk management / assessment:

FIGURE 1

The risks associated with the implementation of the (subject) decision :

No.	RISK Threat to achievement of the key objectives of the report	INHERENT RISK (Before controls)		RISK CONTROL MEASURES Mitigation (ie controls) and Evaluation (ie effectiveness of	CURRENT RISK (After controls)		RISK OWNER
		Impact	Probability		Impact	Probability	
		1	<u>Legal</u> – The current arrangements have been in place for some while, and involve limited competition, and although the Council considers it has evidence to show their social value and benefits, there is a potential risk of challenge over whether they are fully compliant with state aid rules. If any challenge was upheld this could lead to significant cost and delay.		High	Medium	

FIGURE 2

The risks associated with not implementing the (subject) decision:

No.	RISK Threat to achievement of the key objectives of the report	INHERENT RISK (Before controls)		RISK CONTROL MEASURES Mitigation (ie controls) and Evaluation (ie effectiveness of	CURRENT RISK (After controls)		RISK OWNER
		Impact	Probability		Impact	Probability	
		1	<u>Financial</u> – No funding is made available to support Community Transport providers from April 2014 causing failure of providers, major loss of provision and the associated negative impacts on service users.		High	High	

7. Public sector equality duties:

7.1 Before making a decision, section 149 of the Equality Act 2010 requires that each decision-maker considers the need to promote equality for persons with the following “protected characteristics”: age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex, sexual orientation. Each decision-maker must, therefore, have due regard to the need to:

- i) eliminate discrimination, harassment, victimisation and any other conduct prohibited under the Equality Act 2010.**
- ii) advance equality of opportunity between persons who share a relevant protected characteristic and those do not share it. This involves having due regard, in particular, to the need to:**

- remove or minimise disadvantage suffered by persons who share a relevant protected characteristic.
 - take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of people who do not share it (in relation to disabled people, this includes, in particular, steps to take account of disabled persons' disabilities);
 - encourage persons who share a protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.
- iii) foster good relations between persons who share a relevant protected characteristic and those who do not share it. This involves having due regard, in particular, to the need to tackle prejudice and promote understanding.

7.2 The proposal in this report is likely to result in the retention of similar services as are available at present, subject to any changes that the existing providers are currently making. This will continue the discrepancy between the availability of services in different areas of the City, the wide variety of differing services that are offered, and the significant and increasing gap between demand and available supply. The Equality impact assessment for the proposed strategy has been developed as a result of the consultation responses and will be made available as part of a future cabinet report.

8. Eco impact assessment

8.1 The proposal in this report will have very limited impact on existing provision and is therefore not expected to have any significant eco impact. A full Eco impact assessment of the commissioning strategy proposal has been developed and will be made available as part of a future cabinet report.

9. Resource and legal implications:

Finance

a. Financial (revenue) implications:

9.1 The proposal will set a maximum cost of the service for 2014/15. Whilst demand far outstrips supply it is intended to fund the service within the budget and to prioritise its use. Therefore, the revenue implications are limited to the extent of the available revenue budget for Community Transport. This budget is based on the current budget for these services, grant and concessionary fare rebate.

Advice given by Mike Allen / Finance Business Partner
Date Updated 5th November 2013

b. Financial (capital) implications:

9.2 There are no capital implications for this scheme.

Advice given by Mike Allen / Finance Business Partner

Date **20 June 2013**

c. Legal implications:

- 9.3 It must be recognised that the risk identified in Paragraph 6 of the report will continue for so long as the current arrangements are in place, and that the implementation of the Commissioning Strategy at the earliest opportunity is the primary defence to any challenge. Any delay in implementing the strategy, for whatever reason, will therefore perpetuate that risk.

Advice given by **Eric Andrews, Solicitor**
Date **Updated 5th November 2013**

d. Land / property implications:

- 9.4 There are no land or property implications relating to this proposal

e. Human resources implications:

- 9.5 There are no Council staff implications relating to this proposal

- 10. Appendices:**
None

- 11. Access to information (background papers):**

Background documents on the previous stages of the Community Transport commissioning process are available on the Bristol City Council website at:
www.bristol.gov.uk/communitytransport