

19th January 2017

Agenda Item: 5

**REPORT OF THE SERVICE DIRECTOR, TRANSPORT, PROPERTY &
ENVIRONMENT**

**CONCESSIONARY FARE SCHEME: EXTENSION OF THE SCHEME TO
INCLUDE S19 MINIBUS SERVICES**

Purpose of the Report

1. To advise committee of the outcome of the grant aid support from Transport and Travel Services (TTS) for 'Easylink' and 'Ring & Ride' Minibus services in Nottinghamshire operating under a Section 19 Permit.
2. To seek approval to extend the grant funding for Nottingham Community Transport and Our Centre to provide the Easylink and Ring a Ride services in 2017/18.
3. To seek approval to extend the current Concessionary Fares scheme to include Minibus operations, offering up to 50% discount for disabled residents, from April 2018 for a two year pilot.

Background

4. Community Transport organisations are an important part of the transport fabric of Nottinghamshire and provide vital services for those people unable to access traditional public transport; or increasingly live in communities with limited public transport or taxi options available.
5. The minibus schemes operate using a Section 19 permit under the provisions of the 1985 Transport Act and subsequent legislation. Primarily these are operated under 'standard permits' for vehicles which are adapted to carry no more than 16 passengers (excluding the driver). These permits may be granted to organizations that operate vehicles without a view to profit to transport their members, or people whom the organization exists to help.
6. Many organisations tend to charge a membership fee to access the service and pay fares based on distance travelled, which is unaffordable for some people or limits the amount of trips undertaken. As these services cannot be registered as a 'Local bus service', because the S19 Permit requires that they are pre-bookable, they are not eligible for English National Travel Concessions Scheme (ENTCS) payments and therefore free travel.
7. Grant funding for Community Transport organizations is currently £190k per annum. This is split across 15 organizations (Minibus and Voluntary Car schemes) with an average contribution of £12,600 per scheme (excluding the funding from TTS). This funding is allocated centrally by the Community and Voluntary Sector team and

monitored by Transport and Travel Services. The grant funding is a contribution towards the core revenue costs/overheads that are essential to managing and delivering the project.

8. The County Council with grant funding and advice has also been encouraging the sector to look for additional work; this includes SEND contract, Adult Social Care and local bus work, but due to the lack of capacity in the sector and the European Commission State Aid inquiry into the Community Transport sector; many providers have been unable or reluctant to embrace these opportunities.
9. Community Transport organisations have also seen reductions in other funding from public bodies such as District Councils, NHS and the lottery has contracted. However the government has helped with the £25M Minibus fund and 2 Nottinghamshire organisations have been successful in bids to the DfT A further bidding round recently closed to applicants.
10. Since the economic downturn we have seen some rationalisation of Community transport providers as well as a gradual scaling back of operations to core activities, reducing accessibility to key services for Nottinghamshire's most vulnerable residents. Without further support this trend is likely to continue.
11. This report therefore proposes a new discretionary Half Fare scheme for S19 Minibus 'Dial a ride' type operations in Nottinghamshire from April 2018; to allow time to finalise the terms and conditions of the scheme in 2017/18. These proposals will seek to address the issues of improving accessibility to key services, affordability of Community Transport services and help ensure the long term sustainability of Community Transport organisations. A separate Annual Report on the schemes funded centrally will be formulated by the Community and Voluntary Sector team.
12. There is currently two large 'Dial a ride' minibus schemes in Nottinghamshire which provide door to door services for disabled members which is detailed below.

Nottingham Community Transport - Easylink

13. As part of the Shared services report to Transport and Highways Committee on 12 November 2015, Members were informed of the following expansion of the easylink service so that it became available for County Users within the Robin Hood Card boundary covering the Greater Nottingham area;
 - Formed a new pricing structure covering the Nottinghamshire area which will be based on mileage and not on zones.
 - Currently offers a 50% fare discount for qualifying Nottinghamshire Concessionary pass holders and Nottingham City pass holders. The customers pays on average £4 per trip.
 - Operates under a Section 19 permit
 - Revised operating hours to reflect passenger demand
 - Improved booking arrangements so clients can book up to 7 days in advance.
 - Started the procurement of new booking software to improve business efficiency and customer experience.
 - Publicity and marketing strategy formulated to promote the service with targeted mailing to disability groups.

14. The expanded scheme was introduced in February 2016, coinciding with the delivery of the new easylink vehicles.
15. The County Council provided a Grant of £10k to facilitate the expansion of the scheme and to promote the services to all users registered on the NCC English National Concessionary Travel Scheme (ENCTS) database.
16. Since the scheme introduction in February 2016:
 - The number of trips per month has risen from 66 trips per month in February to 312 in November, which is an average monthly rise of 17.8% since the beginning of the scheme. The total for year 1 is forecast to be around 2200 trips.
 - Average fare is £8
 - There are over 250 registered active users with the number steadily increasing.

Our Centre – Ring a Ride

17. Our Centre have been providing a Ring and Ride service, similar to easylink:
 - The service has operated since 2012 and is 33 % of Our Centre's business.
 - Operates predominately in the Ashfield and Mansfield area under a Section 19 permit, but on request will go into neighbouring Authorities.
 - 607 people are registered members
 - The pricing structure is based on a Zonal (Kirkby) and mileage system
 - Average fare for passengers is £6 paid by the customer
 - The average number of trips per month is 870 with a forecast of 10,500 per annum.
18. Our Centre have been involved in a number of projects with a variety of partners including Adult Social Care which involved the facilitating of hospital discharges of clients from Kings Mill Hospital back to their own home or care home. Our Centre used the Ring a Ride vehicles to provide the service to maximise the usage of the vehicles to support the Ring and Ride sustainability and provide value for money for Adults. However despite the high passenger numbers on the Ring a Ride service supplemented by the discharge scheme, further funding was required for the service to continue. As the Ring and Ride service and Hospital service were good examples of Total Transport solutions, it was agreed to fund their continuation from DfT Total Transport Funding which cost £15k per annum.
19. Locally and in neighbouring Authorities the following similar services are provided:
 - I) Derbyshire County Council Dial-a-Bus – Standard fares are in line with public transport rates and there is a flat-rate fare of £1.50 per journey (£3 return) for ENCTS Card holders.
 - II) Lincolnshire County Council - CallConnect - ENCTS passes can be used for free travel on all CallConnect services. No discounts on Dial-a-Ride in Lincoln and Stamford
 - III) Leicestershire County Council – A variety of Community transport schemes operate with different fare structures. No discounts for ENCTS pass holders.
 - IV) South Yorkshire – Dial-a-Ride services operate in Barnsley, Doncaster, Rotherham and Sheffield and charge a flat return fare of £2.00

Proposals for Nottinghamshire

20. As indicated above some adjoining Authorities include these type of services as part of their concessionary fare scheme (discretionary provision), or alternatively offer discounted fares which are reflected in financial support arrangements with the operator. It is proposed that the County Council extends their Concessionary fare scheme from 2018/19 to include a half fare concession for disabled pass holders for S19 minibus services for a trial period of 2 years. At present only two Minibus schemes provide such services, however it is hoped that the introduction of up to a 50% concession would encourage new operations to be set up in areas where alternative public transport provision is limited, therefore proving an affordable alternative for ENCTS holders.
21. For 2017/2018 we continue the current arrangements of grant funding, whilst the terms and conditions of the scheme and the management and monitoring arrangements are finalised. In November 2017 the Concessionary scheme notices for 2017/18 will be published; which will include the discretionary scheme for S19 operated minibus schemes outlined in paragraph 17.

Implementation

22. The exact reimbursement, project monitoring and scheme administration will need to be worked through with the operators in more detail during 2017/18.
23. Discussions with the Community Transport sector have been supportive of this new approach to the provision of these 'Ring a Ride' services.
24. The Concessions proposed start date is April 2018, with the scheme reviewed in April 2020.

Other Options Considered

- To do nothing: Without grant or Concessions support these 'Dial a Ride' type services are not likely to continue in their present form and therefore reduce travel opportunities for Nottinghamshire's most vulnerable residents.
- To only provide Grant funding: this would probably sustain the services but without a reduction in fares, this will not encourage growth which will help the long term sustainability of Community Transport operators.

Environment & Sustainability

- Local Community Transport minibus operations help congestion management, reduce individual car use and improve air quality.

Statutory and Policy Implications

- This report has been compiled after consideration of implications in respect of finance, the public sector equality duty, human resources, crime and disorder, human rights, the safeguarding of children, sustainability and the environment and those using the service and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

Financial Implications

- To allocate ring-fenced TTS funding; to provide grant funding for Nottingham Community Transport (£10k) and Our Centre (£15k) for the 2017/18 financial year transition period.
- It is proposed from 2018/19 that the Concessionary scheme is extended to include S19 Minibus services based on a 50% discount for ENCTS pass holders for the average fare. The forecast cost of the scheme pending negotiations is between £43k and £58k per annum. This forecast includes projected growth of between 5% and 10% on scheme introduction.
- If other Community Transport organisations develop Ring a Ride services there is currently a 25% contingency to absorb growth in the sector.
- The costs for the scheme can be met from existing TTS budgets, ring fenced for transport provision.
- The scheme will be managed as a Concessionary Fare Scheme with similar arrangement to the existing scheme, with appropriate break clauses to protect the County Council and operators.

Implications for Service Users

- The introduction of Improvements to the Concessionary fare scheme will make the services more affordable and accessible for service users, addressing issues of isolation.
- The scheme will encourage other Community Transport Schemes to expand 'Dial a Ride' type services, increasing travel opportunities for residents and filling transport gaps.
- The scheme will help strengthen Community Transport operators to ensure long term sustainability and help arrest the contraction in provision in some areas.

RECOMMENDATIONS

It is recommended that Committee:

25. Note the progress of the easylink and Ring and Ride services.
26. Approve the renewal of grant funding for 2017/18 for Nottingham Community Transport and Our Centre whilst a new Concessionary Scheme is formed.
27. To approve the extension of the Concessionary Fare scheme to include S19 operated Minibuses services, offering disabled residents a discount on travel from 2018 for a two year pilot.

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For any enquiries about this report please contact:

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Constitutional Comments (SLB 23/12/2016)

- Transport and Highways Committee is the appropriate body to consider the content of this report.

Financial Comments (DJK 10/01/2017)

- The financial implications are explained in this report and will be funded from existing revenue budgets.

Background Papers

Except for previously published documents, which will be available elsewhere, the documents listed here will be available for inspection in accordance with Section 100D of the Local Government Act 1972.

Shared Public Transport Services Provision with the City Council: Project Outcome – 12th November 2015

Electoral Divisions and Members Affected

All