

HAMPSHIRE COUNTY COUNCIL**Decision Report**

Decision Maker:	Executive Member for Economy, Transport and Environment
Date:	1 April 2014
Title:	Community Transport Contracts and Grants
Reference:	5754
Report From:	Director of Economy, Transport and Environment

Contact name: Kevin Ings

Tel: 01962 846986

Email: kevin.ings@hants.gov.uk

1. Executive Summary

- 1.1 This report proposes a new contract for the Good Neighbour Support Service which provides advice and support to voluntary care and good neighbour groups, many of whom operate voluntary car schemes in Hampshire.
- 1.2 The report also seeks approval to procure and spend for a contract to continue to provide a Wheels to Work scheme predominately for young people in Hampshire. It sets out the background to the current arrangements together with the tendering and evaluation process for the proposed procurement process. The financial arrangements and implications on budgets is also considered.
- 1.3 The continued funding of the YelaBus service in Yateley is also considered. The report outlines the background and funding history to supporting this particular scheme, reviews current performance, and recommends the award of a grant to YelaBus for 2014/15.

2. Good Neighbours Support Service Contract

- 2.1. The Good Neighbours Support Service is an umbrella organisation for voluntary care or good neighbours schemes in Hampshire, of which there are well over 100 such groups. The Good Neighbours Support Service already provides advice and support to existing groups and, where the opportunity exists, develops new groups.
- 2.2. A significant activity of the majority of voluntary care groups is providing transport using volunteer car drivers, and in view of this the County Council's Community Transport Team works very closely with the Good Neighbours

Support Service in supporting this part of the voluntary and community transport sector in Hampshire.

- 2.3. The service provided by the Good Neighbours Support Service is largely funded through an existing arrangement with the County Council's Adult Services Department and the Clinical Commissioning Groups in Hampshire, which meet the majority of its operating costs given the groups focus on older people and well-being.
- 2.4. The County Council has previously provided financial support to the organisation through a two year single tender contract which ran until 31 March 2014 to support their stewardship of groups and the promotion of best practice, in providing transport using voluntary car drivers.
- 2.5. The Good Neighbours Support Service is uniquely placed to provide this support and advice to the voluntary car schemes run by the voluntary care and good neighbour groups on a countywide basis. Furthermore, it already has an established role with these groups through its wider advice and support service and, these groups naturally relate and look to it. This is the justification for the single tender award.
- 2.6. The report seeks approval to procure and spend in respect of a two year single tender contract for the Good Neighbour Support Service with the option to extend up to four years duration from 1 April 2014. This will provide annual support of £5,000 with a total estimated contract value of £20,000 which would be funded by Hampshire County Council.

3. Future Support to YelaBus

- 5.1 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 user groups in order to recover the extra cost of providing a paid driver.
- 5.2 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 recovery of paid driver costs. A grant of £6,500 was provided during 2013/14.
- 5.3 The current funding arrangement with YelaBus comes to an end on 31 March 2014. The scheme provides the County Council with quarterly progress reports and these show how the scheme has performed during 2013 in comparison with previous years. The statistics for the key indicators have been included in the table below.

	2010	2011	2012	2013
Number of Minibus Hires	450	476	467	495
Hires using Paid Drivers	262	215	187	170
Hires using Volunteer Drivers	188	261	280	325
Number of Passenger Trips	9,880	10,450	9,402	10,136

5.4 The above table shows:

- a) An increase of 6% in the number of minibus hires in 2013 from 2012.
- b) That the number of minibus hires provided with paid drivers in 2013 reduced to 170, which represented 34% of the overall number of hires, as opposed to 40% in 2012 and 70% in 2009.
- c) That YelaBus have over the period been able to maintain the transport services which they provide with some modest growth whilst at the same time increasing the proportion of the service delivered by volunteer drivers.

5.5 Given the progress which the scheme has made, it is proposed that a further grant should be offered for 2014/15. The scheme has requested a grant of £11,500 from the County Council although the financial information provided for the period 1 January – 31 December 2013 shows an operating surplus as a result of local fundraising. It is therefore proposed that the County Council should maintain its current level of support for the scheme and that a grant of up to £6,500 be awarded to YelaBus for the period 1 April 2014 to 31 March 2015.

5.6 The contribution made to the scheme through the grant should be seen as a contribution towards the staffing and administration costs involved in operating the scheme so that support for YelaBus would be consistent with the way in which the council's supports other similar schemes across the county. In these cases the contribution made by the council usually supports the staffing and administration costs necessary to oversee the operation of a fleet of minibuses, to ensure that these are properly maintained and to enable the recruitment and training of volunteer minibus drivers. The running costs of the minibuses are then recovered through the hire charges to groups. Where paid drivers are used, the cost of this is recovered through the hire charges to user groups.

5.7 The grant would be funded from 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 2014/15 against which this grant would be paid. No other grants have yet been awarded against this budget.

5.8 A grant of £6,500 is therefore proposed for YelaBus for the period 1 April 2014 to 31 March 2015. 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, that YelaBus:

- (i) Provide a 'group hire' minibus operation under Section 19 Standard Permits, to enable eligible local and voluntary and community groups to hire minibuses at affordable rates.
- (ii) Maintain a pool of volunteer drivers so that minibuses can be provided for hire, complete with a MiDAS trained driver where requested.
- (iii) Ensure that charges made to passengers and vehicle hirers include an element of depreciation so that YelaBus accrues money towards replacing its vehicles.
- (iv) Provide quarterly activity and financial reports to the council for the scheme
- (v) 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.

4. Wheels to Work moped scheme for young people

4.1. The Wheels to Work scheme provides short term moped 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 30 mopeds across the four districts covered.

4.2. 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 (2) and Winchester (8).

4.3. The existing contract with the operator, Community First New Forest, expires on 31 July 2015 and a new procurement process will need to be undertaken. It is proposed that the initial term for the contract is two years with the option to extend up to six years duration.

- 4.4. Prior to the tender being issued a number of decisions need to be made. Approval is sought for the overall approach outlined below in order to allow officers to proceed with refining the details of the process in preparation for the issuing of the tender.
- 4.5. The evaluation of tenders will be based on quality (50%) and price (50%). Quality will include any added value the tenderer can offer at no extra cost. Tenderers will need to submit a quality statement which will be used to assess the extent to which they can meet or exceed the quality standards set out in the specification. It is also expected that they will also be asked to clearly set out what level of service can be provided for a set budget declared in the tender.
- 4.6. It is therefore proposed that approval to procure and spend be given in respect of the contract for Wheels to Work, with a contract initially being awarded for two years with an option to extend up to six years duration, with a total estimated value of £420,000 of which £290,000 is expected to be funded by Hampshire County Council and the remainder by the district councils identified above.
- 4.7. The tendering process will be designed to ensure a high quality service to end users within the available budget. It is proposed that the Director of Economy, Transport and Environment be given delegated authority to agree any variations to the items approved referred to in paragraphs 4.1-4.6 of this report, in consultation with the Executive Member for Economy, Transport and Environment

5. District Council Contributions

- 5.1. The contributions from district councils towards the proposed contract award for the Wheels to Work scheme as set out in this report will need to be covered by legal agreements with the County Council. These will confirm district council financial contributions for the initial contract award periods as set out in the report.
- 5.2. The contract itself will have the option to run for a maximum of six years and the legal agreements will also have the potential for extension up to a maximum of six years. It is therefore proposed that the Executive Member for Economy, Transport and Environment gives approval for the County Council to enter into legal agreements with each of the respective funding partners for the initial contract term and subsequently to cover any contract extensions up to the maximum agreed term for these contracts.
- 5.3. Given the financial pressures facing local authorities, the County Council needs to make some provision for situations where funding partner contributions are either discontinued or reduced. In the past the principle has been for the County Council to match the funding reduction by other partners with the appropriate reductions in service levels. It is therefore 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 Economy, Transport and Environment, 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.

6. Conclusion

- 6.1. This report sets out the arrangements for awarding a new contract to the Good Neighbour Support Service. A procurement process which will enable the continued operation of the Wheels to Work Scheme for young people in Hampshire through the award of a new contract is also proposed.
- 6.2. A further grant award is recommended for the YelaBus scheme in Yateley to contribute towards their staffing and administration costs involved in operating this scheme. In addition to the council's normal grant conditions, a number of additional grant conditions are also proposed for this grant award.
- 6.3. The report also proposes that legal agreements be entered into with district councils regarding their contributions for any Wheels to Work contract awarded.

7. Recommendations

- 7.1 That approval to procure and spend be given in respect of a new single tender contract for the Good Neighbour Support Service with the contract initially being awarded for two years with an option to extend up to four years duration from 1 April 2014 with a total estimated value of £20,000 which would be funded by Hampshire County Council.
- 7.2 That a grant of up to £6,500 be awarded to YelaBus for the period 1 April 2014 to 31 March 2015, on the basis, in addition to the council's normal conditions of grant, that the following grant conditions will also be met; that YelaBus will:
 - (i) Provide a 'group hire' minibus operation under Section 19 Standard Permits, to enable eligible local and voluntary and community groups to hire minibuses at affordable rates.
 - (ii) Maintain a pool of volunteer drivers so that minibuses can be provided for hire, complete with a MiDAS trained driver where requested.
 - (iii) Ensure that charges made to passengers and vehicle hirers include an element of depreciation so that YelaBus accrues money towards replacing its vehicles.

- (iv) Provide quarterly activity and financial reports to the council for the scheme
- (v) 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.

- 7.3 That approval to procure and spend be given in respect of the contract for Wheels to Work, with a contract initially being awarded for two years with an option to extend up to six years duration, with a total estimated value of £420,000 of which £290,000 will be funded by Hampshire County Council and the remainder by district council contributions.
- 7.4 That a ratio of 50% for price and 50% for quality is applied in tender evaluation of the item approved in 7.4 above.
- 7.5. That the Director of Economy, Transport and Environment be given delegated authority to agree any variations to the items approved referred to in paragraphs 4.1-4.7 of this report, in consultation with the Executive Member for Economy, Transport and Environment.
- 7.6 That the Director of Economy, Transport and Environment be given delegated authority in consultation with the Executive Member for Economy, Transport and Environment to extend incrementally the contract awards for the Good Neighbour Support Service and the Wheels to Work schemes set out in this report up to the maximum approved term for these contracts.
- .
- 7.7 That the Executive Member for Economy, Transport and Environment gives approval for the County Council to enter into legal agreements with each of the respective funding partners for the initial contract terms for the Wheels to Work schemes set out in this report, and subsequently to cover any contract extensions up to the maximum agreed term for this contract.
- 7.8 That the Director of Economy, Transport and Environment be given delegated authority to vary the contract and service provision for the Wheels to Work contract, in consultation with the Executive Member for Economy, Transport and Environment, as may be required as a result of any changes to district council funding contributions.

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 accessible at this link: <http://www3.hants.gov.uk/equality/equality-impact-assessments/cx-pu-eqimpact-envi.htm>*

1.2

1.3 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. For those schemes and organisations receiving awards the expectation is that the current service provision will be maintained and there should therefore be no negative impact on service users as a result of the recommendations in this report.

2. Impact on Crime and Disorder:

2.1. Some of the services will support wider community involvement which can help to reduce crime.

3. Climate Change:

3.1. How does what is being proposed impact on our carbon footprint / energy consumption?

The YelaBus scheme can provide group transit journeys thus reducing some individuals journeys which may have otherwise taken place.

3.2. How does what is being proposed consider the need to adapt to climate change, and be resilient to its longer term impacts?

As sustainable modes of transport become more important in mitigating climate change, the proposal enables the continued provision of a travel option for users of those community transport services identified in the report which is in keeping with the need to reduce carbon emissions.