

HAMPSHIRE COUNTY COUNCIL

Decision Report

Decision Maker:	Executive Member for Environment
Date of Decision:	9 March 2010
Decision Title:	Future Support for YelaBus
Decision Reference:	1397
Report From:	Director of Environment

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1. Executive Summary

1.1. The purpose of this paper is to consider the continued funding of the YelaBus service in Yateley.

1.2. This paper seeks to provide:

- (i) background and funding history;
- (ii) options for the future; and
- (iii) a proposed course of action which includes making a grant of £8,625 towards the costs of operating YelaBus for the period 1 July 2010 to 31 March 2011.

2. Contextual information

2.1. 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.

2.2. 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. Community Transport Group Hire schemes across Hampshire are very successful, with 290,000 passenger trips provided in 2007/08, mainly using volunteer drivers. Where this is not the case, driver costs are recovered from the hirer. One scheme, Havant,

makes significant use of paid drivers and provided over 50,000 passenger trips in 2007/08.

- 2.3. Since 2006 the County Council and Hart District Council have 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. Grants from the County Council were made for 2006/07 of £14,062, 2008 of £11,500, 2009 of £11,500 and more recently for the period 1 January–30 June 2010 for £5,750.
- 2.4. The Hart and Rushmoor Hampshire Action Team supported this approach although in its submission dated September 2008 to the Executive Member it sought funding for a further three years in order to allow YelaBus more time to fulfil the conditions of the grant.

3. Current Situation

- 3.1. The current funding arrangement with YelaBus comes to an end on 30 June 2010. There are a number of ways in which the County Council could respond to the YelaBus funding situation beyond this period.
- 3.2. **Option 1:** Provide no further funding for YelaBus. YelaBus has indicated that without further funding it will be forced to close the operation. Negotiations would then need to take place with Rushmoor Voluntary Services, which operates a similar scheme, to identify how much of the YelaBus work it could take over and what level of financial support would be required. It would also mean that YelaBus would be unable to operate one of the contracts being proposed to replace the existing Hart Call and Go arrangements (see item elsewhere on the agenda).
 - a) Risk Assessment: This would provide uncertainty for users and a potential loss of the service currently operated by YelaBus until or unless alternative facilities were found. It is likely that any alternative operator would seek some funding from the County Council. An alternative operator would also need to be used for one of the contracts which will replace the existing Call and Go arrangements and would not necessarily have the same presence in the local community as YelaBus to promote and develop the new service.
- 3.3. **Option 2:** Provide further funding of up to £11,500, on a tapered basis for one further year, subject to matching funding from Yateley Town Council and satisfactory negotiation of agreed milestones with YelaBus. The actual grant amount would be agreed with YelaBus based on the financial information provided.
 - a) Risk Assessment: This approach may lead to claims of unfairness and demands for similar funding from other Community Transport schemes.
- 3.4. **Option 3:** Award a grant payment to YelaBus which is consistent with the way in which the County Council supports other similar schemes in Hampshire. This approach was proposed by the consultants undertaking the

Community Transport Review in respect of the YelaBus situation. The consultants have also been reviewing the rationale for providing funding to schemes, with a number of options being considered. If longer term support is to be provided to YelaBus then applying the same rationale which will eventually be applied to other Community Transport schemes would seem prudent and defensible. How YelaBus then provides its service, for example using either volunteers or paid drivers, would no longer be an issue for the County Council. The arrangements would need to be consistent with the Council's approach for grant support.

- a) Risk Assessment: This option carries a risk if the funds provided through this means are still insufficient to bridge the financial gap which YelaBus has for maintaining its service.

4. Options Analysis/Comparison

- 4.1. Option 3 was the approach supported by the Executive Member for Environment at the decision making day on 10 November 2009 when the last YelaBus grant was agreed and it is proposed that continued support for this option be given. The consultants' review work is currently being finalised and will then need to be the subject of consultation with the Community Transport Sector to comply with the terms of the Compact. It is therefore proposed that a further nine month grant for the period 1 July 2010 to 31 March 2011 be awarded to YelaBus. This will enable the operation to continue whilst the future funding rationale for schemes is consulted upon and agreed with community transport operators in Hampshire. The agreed rationale can then be applied to the YelaBus situation.
- 4.2. Providing further grant support to YelaBus will also provide the organisation with the necessary financial support which it requires to operate until 31 March 2011. This would mean that YelaBus is in a position to operate one of the contracts being proposed to replace the existing Hart Call and Go arrangements (see item elsewhere on the agenda). Both the proposed grant and the replacement Call and Go contract would then be due for renewal at the same time.

5. Finance

- 5.1. The grant payment to YelaBus of £8,625 can be met from the existing Community Transport budget.

6. Conclusion

- 6.1. The current funding arrangement with YelaBus comes to an end on 30 June 2010. Consultants undertaking the Community Transport review for the County Council have concluded that future support to YelaBus should be consistent with the way in which the County Council supports other similar schemes in Hampshire.

- 6.2. The consultants have also been reviewing the rationale for providing funding to schemes, with a number of options being considered. If longer term support is to be provided to YelaBus then applying the rationale which is eventually agreed for other Community Transport schemes for YelaBus would seem prudent and defensible. This work is currently being finalised by the consultants and will then be the subject of consultation with the Community Transport Sector in order to comply with the Compact.
- 6.3. It is therefore proposed that a nine month grant for the period 1 July 2010 to 31 March 2011 be awarded to YelaBus subject to the satisfactory negotiation of agreed milestones with YelaBus. Providing further grant support to YelaBus will also provide the organisation with the necessary financial support which it requires to operate until 31 March 2011. This would encourage the continued transition from paid to volunteer drivers in order to stimulate the longer term sustainability of the scheme.
- 6.4. It would also mean that YelaBus would be in a position to operate one of the contracts being proposed to replace the existing Hart Call and Go arrangements (see item elsewhere on the agenda). Both the proposed grant and the replacement Call and Go contract would then be due for renewal at the same time.

7. Recommendation

- 7.1. That a grant of £8,625 be awarded to YelaBus for a nine month period from 1 July 2010 to 31 March 2011, subject to the satisfactory negotiation of agreed milestones with YelaBus.
- 7.2. That the Director of Environment be authorised to negotiate and conclude a suitable performance framework with YelaBus for the period of the proposed grant.

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

Hampshire safer and more secure for all:	no
Corporate Business plan link number (if appropriate):	
Maximising well-being:	yes
Corporate Business plan link number (if appropriate):	
Enhancing our quality of place:	no
Corporate Business 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. Community Transport provides transport for those unable to use the public transport network and so improves access to services.

2. Impact on Crime and Disorder:

- 2.1. No impact.

3. Climate Change:

- a) How does what is being proposed impact on our carbon footprint / energy consumption?

The provision of this service provides an alternative to the use of the private car.

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

The service contributes to a sustainable transport system by using small vehicles which operate according to demand.