

HAMPSHIRE COUNTY COUNCIL

Decision Record

Decision Maker:	Director of Economy, Transport and Environment
Date:	July 2020
Title:	Community Transport Contracts
Report From:	Kevin Ings, Community Transport and Contracts Manager

Contact name: Kevin Ings

Tel: 01962 846785

Email: Kevin.ings@hants.gov.uk

1. The decision:

- 1.1 That the Director of Economy, Transport and Environment confirms the decision to reintroduce contracted community transport services from the beginning of July where this is possible.
- 1.2 That full contract and concessionary fares payments to operators are maintained for a further period until 31 October 2020.
- 1.3 That Exceptional Cost Payments be made to operators, in accordance with existing contract terms, to assist in the recovery of services and loss of user income at a total estimated cost of £100,000, with this sum being funded from existing budget provision.
- 1.4 That people with an Older Person's Bus Pass continue to be able to use this on journeys before 9.30am, where they are eligible to use these services, for a further period until 31 October 2020.

2. Reason for the decision:

- 2.1 The proposal will enable key transport services for older and disabled people to be reintroduced so that these people can access essential services and ensure that operators have all the necessary resources required to provide the full service that they are contracted to provide. These community transport services contribute to the strategic objectives of the County Council by helping older and disabled people to live safe, healthy and independent lives.

3. Other options considered and rejected:

- 3.1 Option 1: To offer either reduced or no further contract and Concessionary Fares scheme payments to operators. This would result in either no service

being provided or a much reduced level of service and older and disabled people who rely upon these services would either have fewer opportunities or be unable to travel to key services.

- 3.2 Option 2: To not offer the proposed exceptional cost payments. This would result in a reduced level of service and older and disabled people who rely upon these services would have fewer opportunities to travel to key services.
- 3.3 Options 3: To request that the Department for Transport allocate additional financial support for community transport operators providing community-based services that local bus operators have received from central government. This request has been made and was unsuccessful.

4. Conflicts of interest:

4.1 Conflicts of interest declared by the decision-maker:

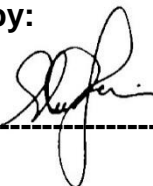
5. Dispensation granted by the Conduct Advisory Panel: none.

6. Reason(s) for the matter being dealt with if urgent: not applicable.

7. Statement from the Decision Maker:

In confirming this decision I note that these matters were discussed at the ETE Bronze/Recovery meeting on the 24th June, and that based on this discussion, and the subsequent circulation of key points raised in this report, I gave authority on the 26th June to progress these matters urgently until such time as they could be confirmed in writing by way of this decision record.

Approved by:



Date:

24 July 2020

**Director of Economy, Transport and Environment
Stuart Jarvis**

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Purpose of this Report

1. The purpose of this report is to seek approval to recommence contracted community transport services which were suspended earlier this year. It also proposes continued contract and concessionary fares payments and additional financial support to assist operators in the recovery of these services and the loss of user income. The continued use of the Older Persons Bus Pass before 9.30am on services is also proposed.

Recommendations

2. That the Director of Economy, Transport and Environment confirms the decision to reintroduce contracted community transport services from the beginning of July where this is possible.
3. That full contract and concessionary fares payments to operators are maintained for a further period until 31 October 2020.
4. That Exceptional Cost Payments be made to operators, in accordance with existing contract terms, to assist in the recovery of services and loss of user income at a total estimated cost of £100,000, with this sum being funded from existing budget provision.
5. That people with an Older Person's Bus Pass continue to be able to use this on journeys before 9.30am, where they are eligible to use these services, for a further period until 31 October 2020.

Executive Summary

6. This report proposes that contracted community transport services which were suspended earlier this year should be re-introduced in July where this is possible. It also proposes additional financial support to the operators of

these services and the continued use of the Older Persons Bus Pass on services before 9.30am.

Contextual Information

7. In view of Covid-19 a decision was taken in March 2020 to suspend the operation of community transport contracts and continue with full payments to operators who were asked to refocus services and resources to support service users in other ways e.g. taking essential services like shopping and prescriptions to them.
8. This report now proposes the re-introduction of these services. It also recommends continued contract and concessionary fares payments and additional financial support to assist the recovery of services and loss of user income which operators are incurring as a direct result of Covid-19. The continued use of the Older Persons Bus Pass before 9.30am on services is also proposed for a further period.

Restart of Community Transport Services

9. Following the latest changes in government guidance around travel restrictions, planning is underway to reintroduce community transport services which are currently suspended. The aim is to recover these services from the beginning of July where this is possible.
10. Regular meetings are taking place with operators to plan how services can be safely reintroduced and operated given current guidelines on social distancing. The focus will initially be on restarting Dial-a-Ride, Call and Go and Shopper services across the county. A recent user engagement exercise with 402 service users has revealed that 81% of these would use the services if they restart in July. Joint funders of these services are being made aware of these arrangements.

Contract and Concessionary Fares Payments to Operators

11. In line with government guidance the County Council and its funding partners have maintained full contract and concessionary fares payments (based on an average payment for 2019/20) to operators of contracted community transport services for the three months until 30 June 2020. Payments continued to ensure the sustainability of operators to continue operating these services longer term.
12. The latest government guidance (Procurement Policy Note 02/20) allows councils to continue with payments to operators until 31 October 2020. It is therefore proposed that full payments to operators (contract and concessionary fares payments) continue until 31 October 2020 to aid the recovery of these services.
13. The cost of maintaining payments to the operators for the period 1 April 2020 to 31 October 2020 is estimated at £633,353 of which £363,412 will be

provided by Hampshire County Council and £269,941 provided by other funding partners, mainly district councils. The cost to Hampshire County Council of maintaining the Concessionary Fares payments to operators for the same period is estimated at £33,229. The County Council's contributions towards these payments can be met from existing budget provision.

14. Even though the Council and its funding partners are maintaining these payments, operators are still losing user income, needed to fund the overall service cost. This loss of income is estimated at £27,000 per month across all services in Hampshire. This sum will decrease as services resume although it is unlikely that it will be removed entirely whilst social distancing guidelines remain.

Exceptional Cost Payments to Operators

15. Given the above it is proposed that additional financial support be provided to community transport operators through the Exceptional Cost Payment process under the terms of the current contract provision. This allows operators to receive additional payments to cover any additional expenditure or reduced income due to factors outside of their control in relation to the operation of a contract.
16. Community transport operators will therefore be able to apply for an Exceptional Cost Payment to assist with the cost of any service adjustments needed to restart a service and any lost user income incurred from April 2020. Claims will need to be supported by detailed income and expenditure financial information and payments will be made in consultation with other funders as set out in the contract terms and conditions for services.
17. A sum of £100,000 is proposed to cover the cost of these Exceptional Cost Payments to operators and this can be met from existing budget provision. As services begin to resume at the start of July the loss of user income will decrease. However, it is unlikely that this will be recovered completely whilst social distancing guidelines remain. There may, therefore, be the need to consider further financial support for community transport operators in due course.

Older Person's Bus Pass

18. The free travel for entitled older people before 9.30am was introduced earlier in the lockdown and has now been removed from local bus services. It is proposed that this use should continue to be available on community transport services when these restart until 31 October 2020. This will allow service users with an Older Person's Bus Pass to continue to take advantage of supermarkets offering specific shopping times.
19. Allowing continued bus pass use before 9.30am on these services will help operators manage service demand given limited seating capacity because of social distancing guidelines. The cost of pre 9.30am journeys would be

offset by fewer bus pass journeys throughout the day because of reduced vehicle capacity.

Consultation and Equalities

20. 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. The proposals will restore community transport services previously suspended because of Covid-19 and this will enable those older and disabled people registered to use these services to restart making journeys to key services once again. There should therefore be a positive impact upon those with protected characteristics as a result of this action.
21. A recent user engagement exercise has helped to establish the likely demand for individual services and should enable operators to plan the restart of services in the most effective way so that the maximum number of journeys can be provided with the available resources.

Conclusion

22. The operation of contracted community transport services were suspended in March due to the impact of Covid-19. This report proposes the re-introduction of these services and the continuation of full contract and concessionary fares payments to operators. It also proposes additional financial support to operators, through Exceptional Cost Payments in accordance with existing contract terms, and the continued use of the Older Persons Bus Pass before 9.30am on services for a further period.

REQUIRED CORPORATE AND LEGAL INFORMATION:

Links to the Strategic Plan

Hampshire maintains strong and sustainable economic growth and prosperity:	no
People in Hampshire live safe, healthy and independent lives:	yes
People in Hampshire enjoy a rich and diverse environment:	no
People in Hampshire enjoy being part of strong, inclusive communities:	no

Other Significant Links

Links to previous Member decisions:	
<u>Title</u>	<u>Date</u>
Not applicable	
Direct links to specific legislation or Government Directives	
<u>Title</u>	<u>Date</u>
Government Procurement Policy Note 02/20 - Supplier Relief Due to COVID-19 (Guidance)	19 May 2020
Government Procurement Policy Note 02/20 – Recovery and Transition from COVID-19 (Policy Paper)	9 June 2020

Section 100 D - Local Government Act 1972 - background documents	
<p>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.)</p>	
<u>Document</u>	<u>Location</u>
None	

EQUALITIES IMPACT ASSESSMENT:

1. Equality Duty

The County Council has a duty under Section 149 of the Equality Act 2010 ('the Act') to have due regard in the exercise of its functions to the need to:

- Eliminate discrimination, harassment and victimisation and any other conduct prohibited by or under the Act with regard to the protected characteristics as set out in section 4 of the Act (age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation);
- Advance equality of opportunity between persons who share a relevant protected characteristic within section 149(7) of the Act (age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation) and those who do not share it;
- Foster good relations between persons who share a relevant protected characteristic within section 149(7) of the Act (see above) and persons who do not share it.

Due regard in this context involves having due regard in particular to:

- The need to remove or minimise disadvantages suffered by persons sharing a relevant protected characteristic that are connected to that characteristic;
- Take steps to meet the needs of persons sharing a relevant protected characteristic that are different from the needs of persons who do not share it;
- Encourage persons sharing a relevant protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.

2. Equalities Impact Assessment:

The proposals in this report will restore community transport services previously suspended because of Covid-19 and this will enable those people registered to use these services to restart making journeys to essential services. There should therefore be a positive impact upon those with protected characteristics as a result of this action.

In addition to this a user engagement exercise has been undertaken. This has established the likely demand for the service, including journey destinations and frequency, and this will enable operators to plan the restart of services in the most effective way so that they can provide the maximum number of journeys with the available resources.