

**INFRASTRUCTURE, HOUSING AND ECONOMIC DEVELOPMENT COMMITTEE –
7 JANUARY 2020**

PART I – PART DELEGATED

Appendix A – the Proposal – is NOT FOR PUBLICATION because it deals with information relating to the financial or business affairs of any particular person (including the authority holding that information) (Paragraph 3 of Schedule 12A)

5. REPORT PROPOSING AN IMPROVED COMMUNITY TRANSPORT SERVICE (DCES)

1 Summary

- 1.1 Three Rivers supports one of the two community transport buses run by Hertfordshire County Council for Three Rivers District. This is called “Dial-a-Ride” and provides a similar service to a wheelchair-accessible taxi, providing door-to-door transport to elderly and disabled people at a subsidised rate, with fares that are less expensive than private taxi fares. It does not provide trips for specifically medical purposes but for shopping, social events and therapy (see Appendix B, page 4).
- 1.2 This proposal would reallocate District Council funding for this second Dial-a-Ride bus and instead fund a scheduled shopper service, which collects people from their homes in a different settlement each day and takes them to a specific large retail centre, as set out in the Appendix A (Part II).
- 1.3 The Dial-a-Ride service has recently been subject to a consultation relating to increased fees for users and due also to recent changes to the Better Buses Programme to include support for a further local bus service (the R9) that focusses on shopper provision. The Lead Member requested investigation into how services overall could be improved.
- 1.4 The proposal (detailed in **Appendix A – Part II**) shows how a local non-profit organisation would be able to provide a regular weekly service to connect key local settlements with major retail centres (primarily but not only supermarkets).

2 Details

Role and scope of the District Council in providing community transport services

- 2.1 The District Council has since 2005 provided subsidy to the County Council to support one extra Dial-a-Ride bus. Many other Districts now provide different options (taxi vouchers by St Albans DC, shopper bus by Hertsmere BC, community transport by WHDC).
- 2.2 The success of this service, run by Hertfordshire County Council (as a not for profit service under the Transport Act 1985) and enhanced by one additional bus funded by the District Council is shown at **Appendix B** (the summary tables provided by Hertfordshire County Council).
- 2.3 This service is provided under an agreement with HCC, for which an annual budget of £33,780 is allocated based on a theoretical £40,000 (which is reduced by the total amount of fares paid). The actual cost therefore varies slightly from year to year depending on fare revenue.
- 2.4 A review of the District Council’s support of bus services included consideration of the Dial-a-Ride service because it serves similar needs and is supported towards

similar corporate objectives. The relevant committee at that time determined not to change the Dial-a-Ride service but requested investigation into how it could be improved to provide better value for residents of the Three Rivers District.

- 2.5 This request resulted from the identification of several issues stemming from the generic nature of the service and the fact that it is run on a County-wide, not local, basis. These are summarised below. The report also noted that several Better Buses services supported by the District Council primarily serve the shopping needs of older residents who have no access to a car or any supermarket nearby.
- 2.6 The District Council has little real control over the details of the contract with Hertfordshire County Council. HCC officers are supportive but the County Council is inflexible on changes to the contract as it is considered an internal service that District Councils can buy into but not influence. As a result, many trips made on the supported bus are made by residents of other districts, such as Hertsmere Borough, which do not subsidise Dial-a-Ride.
- 2.7 The figures provided by the County Council 2018/19 show that 42% of trips on the 'Three Rivers bus' were made by residents of the District, with 53% being made by residents of other Districts. This comprises 45% of journeys made by Watford residents and 10% journeys by residents of Hertsmere, with small numbers from St. Albans and Dacorum.
- 2.8 Many other Hertfordshire District Councils including St. Albans District Council and Hertsmere Borough Council have withdrawn their support for the Hertfordshire County Council Dial-a-Ride bus. Three Rivers District Council is effectively funding the journeys of residents of other Districts at over £16,000 each year, with funding of nearly £19,000 supporting residents of Three Rivers.

Contract costs

- 2.9 The current cost per trip is around £10.84, split between a fare of £2.49 and subsidy from TRDC of £8.35. TRDC funds 73% of the cost of each trip. The total subsidy by TRDC for trips made by non-district residents (1929 trips compared with 2313 trips by residents) was £12,446.
- 2.10 In October 2019, the District Council was consulted on a proposed fare increase from the current fare (£1.90 for the first mile + 45p per mile) to £2.10 for the first mile + 50p per mile). The District Council contribution would not be reduced by this proposal. A ten-mile trip would therefore rise from £5.95 to £6.60.
- 2.11 This compares with fares for Hackney Carriages (also wheelchair-accessible) of £2.80 for the first 0.6 miles then to around £1.67 per mile (the ten-mile trip would therefore cost around £17.83). There are 15 of these and also 45 private hire vehicles adapted for wheelchair use, registered in the District.

3 Options

1) Retain current service with increased fares

- 3.1 This would continue to provide trips to a variety of destinations including for social purposes, as a supplement to the regular HCC-supported bus, at similar costs to those reported in section 2.9. It is expected that increased fares will apply in future.

2) New Shopper service

- 3.2 The proposed service would provide a shopping service, based on a five-day service, connecting each key settlement with a major retail location, with total trip length of three hours, for up to 14 passengers on each trip, from the same user groups as those served by Dial-a-ride.
- 3.3 As the focus would be on providing a dedicated shopper service to every key settlement in the District, this would be a different service to Dial-a-ride, which would continue with one bus supported by HCC.
- 3.4 Over 6,500 trips would be available (compared with just over 4,200 on Dial-a-ride last year). Being scheduled, the service can connect more people with a shopping destination than the Dial-a-ride service, which is on-demand.
- 3.5 The key benefit would be that older and disabled people in every settlement would have access to a shopper service which would work more efficiently than the multi-purpose Dial-a-ride service, which acts effectively as a subsidised accessible taxi service.
- 3.6 The draft schedule (**Appendix A**, page 3 – Part II) sets out how this could work. The service currently operates in other Districts, to very similar standards to Dial-a-ride, using low-floor buses to collect users from their door. Drivers are paid, not volunteers, to ensure that they are always available.
- 3.7 The fare would be £3 each way (£1 for carers). In the case of a ten-mile round trip this would be slightly lower than the cost proposed by HCC for Dial-a-ride. Service costs per trip would fall, with subsidy from TRDC of around £6 per trip, which is £2.35 less than the typical subsidy per Dial-a-ride trip.
- 3.8 For a five-mile round trip, costing the customer £4.10 by Dial-a-ride, the cost would be £1.90 higher. Officers estimate that most trips would fall between these figures, being of 7 to 8 miles total distance. The service would make better use of the significant TRDC funding that currently supports people resident in other districts.
- 3.9 There would therefore be a cost increase from the current subsidy (annually budgeted at £33,780) to £40,000 and fares would change from an expected £2.10 + 50p per mile to a flat fee of £3 each way.
- 3.10 The proposal set out at Appendix A – Part II also promotes the benefits of better social interaction found on existing trips.

4 Policy/Budget Reference and Implications

- 4.1 The recommendations in this report are within the Council's agreed policy but not entirely within the Council's agreed budgets, which are developed to contribute towards the corporate objectives included in:
- Three Rivers Community Strategy 2018 to 2021
 - Three Rivers District Council Strategic Plan 2018 to 2021

5 Financial Implications

- 5.1 The budget to subsidise the current discretionary Dial-a-ride service is £33,780 each year, the proposed new initiative for community transport service requires a subsidy of £40,000 pa which covers the whole cost of one bus.

- 5.2 The cost will cover a five-day service, providing trips connecting each key settlement with a major retail location.
- 5.3 The additional cost can either be zero, or around £6,220, depending on whether this is assessed based on the legal agreement with the current service provider, or based on the amount of funding that is considered currently to be allocated (in which case this amount is short of the full commitment).
- 5.4 The overall allocation in support of sustainable transport services stands currently at around £120,000 (for Better Buses and Dial-a-ride) and it is possible that this proposed service could supplement other provision enabling reconsideration of other services currently funded through these budgets.

6 Legal Implications

- 6.1 The proposal would require a legal agreement with the service provider. It is possible that a full public procurement exercise would need to be undertaken. This depends upon whether the value of the contract over the agreed term exceeds £190,000.

7 Equal Opportunities Implications

- 7.1 Relevance Test

Has a relevance test been completed for Equality Impact?	No – there is no change in the nature of service provision which would provide identical services to the same groups, but with a focus on shopper provision. The statutory DaR bus will be unchanged and still available for other trips.
Did the relevance test conclude a full impact assessment was required?	No – matter will be reviewed through on-going consultation.

8 Staffing Implications

- 8.1 The proposal has no impact on staffing. The Better Buses Programme sets out the core annual work of the Transport & Parking team, overseen by the Head of Regulatory Services.

9 Environmental Implications, Community Safety Implications, Customer Services Centre Implications, Communications and Website Implications

- 9.1 None specific.

10 Public Health implications

- 11 There are no implications to the District Council.

12 Risk and Health & Safety Implications

- 12.1 The Council has agreed its risk management strategy which can be found on the website at <http://www.threerivers.gov.uk>. In addition, the risks of the proposals in the report have also been assessed against the Council’s duties under Health and Safety legislation relating to employees, visitors and persons affected by our operations. The risk management implications of this report were detailed below.

12.2 The subject of this report is **not** covered by the Regulatory Service Plan. Any risks resulting from this report will be included in the risk register and, if necessary, managed within this/these plan(s).

Nature of Risk	Consequence	Suggested Control Measures	Response <i>(tolerate, treat, terminate, transfer)</i>	Risk Rating <i>(combination of likelihood and impact)</i>
None.				

The above risks were scored using the matrix below. The Council has determined its aversion to risk and is prepared to tolerate risks where the combination of impact and likelihood scores 6 or less.

Very Likely ----- Likelihood ----- Remote	Low	High	Very High	Very High
	4	8	12	16
	Low	Medium	High	Very High
	3	6	9	12
	Low	Low	Medium	High
	2	4	6	8
	Low	Low	Low	Low
	1	2	3	4
	Impact			
	Low -----> High			

Impact Score

4 (Catastrophic)

3 (Critical)

2 (Significant)

1 (Marginal)

Likelihood Score

4 (Very Likely (≥80%))

3 (Likely (21-79%))

2 (Unlikely (6-20%))

1 (Remote (≤5%))

12.3 In the officers' opinion none of the new risks above, were they to come about, would seriously prejudice the achievement of the Strategic Plan and were therefore operational risks. The effectiveness of the management of operational risks is reviewed by the Audit Committee annually.

13 Recommendation

- 13.1 That the Committee agrees to reallocate the existing funding from the additional discretionary dial-a-ride bus to a new community shopper service and also recommends to Policy and Resources Committee that an additional budget of £6,220 be committed to the new community shopper service.
- 13.2 That the Committee determines to delegate the decision to procure and award a service to the Director of Community and Environmental Services in consultation with the Lead Member for Economic Development and Transport.
- 13.3 That public access to Appendix A be denied until the contract is awarded.

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Data Quality

Data sources: Sufficient (HCC and external data).

Background Papers

None.

APPENDICES / ATTACHMENTS

Appendix A – Details of proposed service provision – Part II confidential.

Appendix B – Details of HCC Dial-a-ride service provided in 2018/19.