

Division(s):

## **CABINET – 26 May 2015**

### **SUPPORTED TRANSPORT PUBLIC CONSULTATION**

#### **Report by Director for Environment & Economy**

#### **Introduction**

1. The Council's budget for Supported Transport for 2015/16 is just over £30m and will be spent on a range of 'supported transport' services including:
  - Home to school transport for children with special educational needs (SEN) and mainstream schooling
  - Subsidised bus services
  - Adult social care transport (older people, learning disabled, mental health)
  - Children's social care transport
  - Community transport support
  - Concessionary fares
  - Dial a ride
2. As part of the 2014/15 budget the Council agreed to save around £3.6m by reviewing all of the above transport services with a view to better integrating them.

Under new proposals put forward in the 2015/16 service and resource planning round it was agreed that an additional £2.65m of gross savings should now be targeted in supported transport – bringing the total savings required from these services to £6.25m by 2017/18. This paper sets out how we intend to realise these savings.

#### **Savings through efficiency – the Transport Hub**

3. Following an extensive review of our current supported transport provision, we are now in the process of implementing a new Transport Hub; a 'single front door' for all supported transport services in Oxfordshire. The Hub will be a single team which deals with all requests for supported transport services in a coordinated and fair way. It will ensure people are allocated transport according to their needs; supporting those who are judged as capable to use existing public transport or a suitable voluntary sector provider, while protecting those who are not with specialist, bespoke services. Not only does this improve how we allocate our available resources, it also ensures that the whole process for accessing supported transport is now more simple and straightforward

4. Statutory services are services which the Council has a legal duty to provide to people who are entitled to them, according to legislation. Crucially, the creation of the Hub enables us to realise savings to our statutory services through greater efficiency, which makes up the majority of the £30m supported transport budget. This is because the Hub allows us to be smarter and more efficient in how we commission and allocate transport, providing economies of scale as well as a better overview of the Council's total supported transport network, so that we can continue to fulfil our legal obligations and meet people's needs but at lower cost to the tax payer.
5. Indeed the benefits of this new approach are already being realised. Throughout 2014/15 we've been running a 'Route Efficiency Programme'; an on-going process of route-by-route assessment of the home to school transport network, which applies the principles of the Hub in order to reduce expenditure while continuing to meet people's needs. This process has already delivered £630K of savings against our £6.25m target, and has enabled us to prove the validity of our assumptions, as well as refine our approach when making changes.
6. In total, we've estimated that implementing the Transport Hub will deliver savings of **£3.69m** (including the £630K already saved) through efficiency alone, drastically reducing the amount that needs to be withdrawn from non-statutory services.
7. In addition, the creation of the Transport Hub has also created opportunities to undertake initiatives which will underpin the delivery of these savings including:
  - a) **Supporting community transport:** the Council has always sought to proactively support voluntary sector transport in Oxfordshire. With the Hub now increasingly looking to the sector to provide more journeys for our lower need users, we will be protecting and enhancing our investment in community transport in order to ensure there's sufficient capacity to meet this additional demand. Indeed we've already improved our offer of support to the sector, and are currently in the process of allocating funds to schemes which will grow its capacity significantly.
  - b) **Wheels to work:** We're supporting the set up and delivery of a community sector 'Wheels-to-Work' pilot scheme, to provide young people with a means to travel independently to their employment, education or training. Initially the scheme will be run as a pilot in the Vale district in 2015/16, but if proven sustainable it could be extended to the rest of the County in the future.
  - c) **Independent travel training:** we've recruited travel trainers to support people to use less dependent forms of transport. These trainers will identify and work

with user groups who traditionally would have automatically been put on high-cost forms of transport (such as some children with SEND on taxis) but who with training could learn to use public transport or a voluntary provider. Not only does this help to reduce costs, it also provides people who may not otherwise have had the opportunity, the chance to gain the necessary skills and confidence to travel more independently as part of their day-to-day lives.

## **Proposals to deliver savings from non-statutory services**

8. Whilst we've estimated that the Transport Hub will deliver efficiency savings of **£3.69m**, there remains **£2.56m** which will need to be found through reductions to non-statutory services and these are:
- Subsidised bus services
  - Dial a ride

### ***Subsidised Bus Services***

9. Currently there are over 100 subsidised bus services in Oxfordshire, which are used by 15% of bus passengers across the county. Subsidised bus services are publically subsidised bus services operated by private bus companies under contract, serving areas where private operators have chosen not to provide a service because it is not commercially viable for them to do so.

## **The Council's legal duty**

10. The Council's legal duty in relation to subsidised bus services is outlined in the Transport Act 1985, Section 63(1)(a), which explains that local transport authorities must:

*“secure the provision of such public passenger transport services as the council consider it appropriate to secure to meet any public transport requirements within the county which would not in their view be met apart from any action taken by them for that purpose.”*

11. In essence, this means that the Council must 1) identify public transport requirements which would not otherwise be met and then 2) once identified, secure what is appropriate. It does not mean that the Council is obliged to subsidise services.
12. However, under Section 63(8), the Council has a duty to have regard to the transport needs of members of the public who are elderly or disabled when exercising the s63(1) duty referred to above.

13. Under Section 88, in exercising/performing our functions with respect to securing provision of public passenger transport services the Council must cooperate with:
- (i) other authorities exercising/performing those functions;
  - (ii) other local authorities, in relation to expenditure on transport for the purposes of or in connection with the exercise/performance of their education and/or social care functions, so as to secure, in the interests of the ratepayers in our areas, best value for money from our expenditure, taken as a whole.
14. Under Section 92, in the exercise and performance of our functions in relation to agreements providing for service subsidies, the Council must have regard to the interests of the public and of persons providing public passenger transport services in our area.
15. As part of this process, Councils are entitled to take into account the funds that are available to them.

### **Our proposal**

16. Given that we are now in a position where we need to make savings of £2.56m from non-statutory supported transport services, it is appropriate that we revisit which subsidised bus services we should prioritise and why.
17. While all subsidised services are of value and significance to the communities they serve, we believe that it's the Council's first duty to protect our most vulnerable public transport users – in line with our overall corporate commitment to provide a 'safety net' of support and resources for our most vulnerable residents.
18. We therefore propose to consult on a proposal which prioritises the subsidised bus services traditionally used by the county's more vulnerable public transport users - older people and people with disabilities – who live in rural areas and who tend to journey at 'off peak' times (weekday 09:30-16:00) using their concessionary bus passes. This could be for medical appointments, shopping trips or social visits
19. The aim of the proposal is to continue to provide these individuals with a way to access services and maintain their independence during the day. Not least because social isolation is known to compound the difficulties and problems faced by older people and people with disabilities; but also because it is very unlikely that these services will ever be taken up on a purely commercial basis, given the relatively low number of passengers which travel on them.
20. In addition to this main proposal for prioritising subsidised bus services, we also propose to continue subsidising bus services which transport statutorily entitled

children to school, where it has been identified that it would be cheaper in total for the Council to do so than provide separate dedicated school transport.

21. Through negotiations with bus operators we would aim to get the best possible deal for Oxfordshire. In some instances this might mean reducing the frequency of services rather removing them altogether, in order to maintain coverage.

### **Alternative models**

22. In developing the proposal for consultation a number of alternative models were considered. These were prioritising 'services running at 'peak' hours during weekdays (06:30-09:30 in the morning, and 16:00-19:00 in the evening) and prioritising services which run in the evening and at the weekend, which are commonly used by people to access leisure activities.
23. In contrast to off peak services, peak hour services are usually far more expensive in terms of their total contract cost because their provision often requires purchase of additional vehicles by operators. In addition, peak hour services are more likely to become commercialised in the event that a subsidy is removed (although this is by no means guaranteed) because they run at times and along routes which are often extremely popular and well used by local residents.
24. Information on these alternative models and the rationale for why they were not selected will be set-out in the consultation.

### ***Dial a ride***

25. Dial a ride is the other non-statutory supported transport service the Council currently provides.
26. Currently 220 people across Oxfordshire use the dial a ride service. 198 of which are self-assessed as being able to walk, while the remaining 22 require a wheelchair. The majority of the journeys made using the service (roughly 60%) are for shopping trips, and the median average journey distance is 2 miles. Dial a ride cannot be used for getting to hospital appointments.
27. We also know that the majority of the services' users hold concessionary bus passes, and of those who are able to walk, just under 80% are within 400m walking distance of a bus stop. Evidence suggests that many of the people classed as 'walkers' would be able to travel using public transport if necessary, and historically Dial a Ride eligibility criteria haven't been applied/enforced.
28. Dial a ride users pay an annual subscription fee of £5. This contrasts with people going to Council day centres, who have to pay £5 per journey. In light of this inconsistency, as well as the fact that the service uses specialist transport

resources which arguably would be better allocated towards higher need SEN users travelling to school, we think a new approach is needed.

## **Our proposal**

29. Our proposal is to continue to work with community transport groups across the county to try and develop schemes which can meet similar needs to those which dial a ride currently serves. We will no longer be able to afford to fund Dial a Ride as a Council provided service. The Dial a Ride service in Oxford City is now provided by the Charity Aspire and we will look to extend this arrangement to other parts of the County. However the funding we will offer to the Voluntary and Community Sector will be one off 'pump prime' funding' to set up or extend their existing scheme.

## **Financial and Staff Implications**

30. The financial savings implications of this paper are discussed above. Initial implementation costs of statutory savings via the Transport Hub will be funded through current base budgets. Further statutory and non-statutory savings implementation costs, possibly including system integration, will be costed post public consultation and funding options will be determined. A structure and process review of the Transport Hub will take place over summer 2015 and whilst there is no foreseen reduction in posts, staff roles and responsibilities may change.

## **Equalities Implications**

31. The Supported Transport Programme seeks to ensure that equality and diversity are considered throughout the development of its proposals, specifically by engaging with stakeholders and user groups, so that the potential impact of changes on groups with protected characteristics is fully understood. A detailed Service and Communities Impact Assessment will be published alongside the consultation, if Cabinet grant permission to consult.

## **Consultation**

32. We propose to run a 12-week consultation starting in mid-June that will be widely publicised. A consultation document, feedback form and supporting information will be provided. Wherever possible, we will be encouraging people to complete the feedback form online.
33. The council has commissioned the expert skills of Oxfordshire Rural Community Council (ORCC) to support the delivery of the consultation and to prepare a report of the feedback received. ORCC will help the council to organise consultation meetings and will provide other ways for people to have their say. ORCC will also help the council to carry out outreach work to ensure we capture the views of vulnerable service users.

**RECOMMENDATION**

**34. The Cabinet is RECOMMENDED to:**

- (a) note progress with making efficiencies through the introduction of the 'Transport Hub', and plans to make further such efficiencies; and
- (b) grant permission to consult on the proposals outlined in the paper.

SUE SCANE

Director for Environment & Economy

Background papers: None

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