

COMMUNITY TRANSPORT – REQUEST FOR ADDITIONAL FUNDING

1 SUMMARY

- 1.1 Members to consider a request for additional funding from Rayleigh and Rochford Association for Voluntary Services in order to continue to run the Community Transport facility.

2 INTRODUCTION

- 2.1 In October 2003 the Community Transport project was launched to provide a transport service for special groups within the District who are unable to use or access conventional forms of public transport. It offers a door-to-door service to its members for a minimal fee.
- 2.2 The scheme operates a “flexible seating” 16-seater wheelchair friendly minibus and also has access to 5 volunteer drivers under a ‘social car’ arrangement. Social cars are used when the minibus is fully booked, or for longer journeys which would tie-up the minibus to the detriment of other users. The scheme is attempting to encourage more social car drivers when membership expands.
- 2.3 The report on the first six months performance of the scheme will be considered by Environmental Services Committee on 6 July. The Head of Service will report verbally on the outcome.

3 FINANCES

- 3.1 The scheme has three principal sources of income. These are annual membership fees, fares and grant.
- 3.2 In June 2003 Environmental Services Committee considered a report on the project and, conscious of the need to keep Council involvement to a minimum, agreed that a Community Transport Scheme be established initially by working in partnership with RAVS who should work towards setting up a Community Transport Trust by October 2004. Councillor T Livings was nominated to the Board of Trustees, once stabled, as the Council’s representative.
- 3.3 The Committee also agreed to make a grant of £10,000 to RAVS for 2003/4 (six months) to establish the provision of Community Transport and that this funding be met by recycling grant from Essex County Council (ECC). This meant that there was no impact on our core budget. In the 2004/5 Budget process £18,000 was earmarked for RAVS and was paid over in April 2004.

- 3.4 The Head of Service and Transportation Manager met with the RAVS Transport Co-ordinator in June to discuss progress; where it became apparent that finances shown in the original Business Plan were not coming to fruition. This was attributable to the following reasons:-
- Salary expenditure, originally estimated at £22,000, was likely to be closer to £30,000
 - An Office Accommodation charge of £3000 levied by RAVS was omitted from the Business Plan
 - Membership fees and fare income had been overestimated at £21,800 when in reality these are likely to achieve around £6,000 in 2004/5 (perhaps more as the scheme becomes more popular).
 - Grant income from RAVS (£10,000) was only intended for the first year of operation and grants from Parish Councils received in 2003/4 could not be guaranteed for future years.
 - Running Costs were over-estimated as the demands on the service were not as high as envisaged.

A more realistic budget forecast for 2004/5 is shown at Appendix 1.

4 RESOURCE IMPLICATIONS

- 4.1 The Community Transport Scheme has cost this Council very little to initiate, other than in officer time. The vehicle was acquired from ECC free of charge and grants given in 2003/4 and 2004/5 were merely recycling grant received from ECC. In fact, the Council held £7000 in reserve for the development of Vehicle Brokerage Scheme, which will probably not now be pursued. If Members were so minded, this could be passed to RAVS without budget impact.
- 4.2 The Head of Service has arranged a meeting with RAVS on 29 June with a view to establishing:-
- 1) Whether the RAVS Office Accommodation charge can be waived.
 - 2) Whether salary costs can be reduced by using less driver hours.
 - 3) Whether the client base can be extended to generate additional income.
 - 4) Any revised shortfall in the budget for 2004/5.

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- 4.3 Even if some or all of these aims are met, the Head of Service still feels there may be a need to prop up the service by a grant injection of £10,000 (£7000 being met from the ECC reserve)
- 4.4 Real concerns surround the Transportation Manager and her staff being drawn into the management of the scheme when resources need to be concentrated on the introduction of Decriminalised Parking Enforcement (DPE); a seven-year project which culminates on 1 October! Additional one-off unplanned expenditure of £3000 might, therefore, be a very cheap option when viewed against the failure of DPE.
- 4.5 The Head of Service will report verbally at the meeting on the outcome of negotiations with RAVS, and RAVS Transport Co-ordinator will attend the meeting to answer Member queries.

5 RECOMMENDATION

- 5.1 It is proposed that the Committee **RESOLVES**

That a one-off additional grant of £10,000 be made to RAVS.

S J Clarkson

Head of Revenue and Housing Management

Background Papers:

None

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Appendix 1

COMMUNITY TRANSPORTBUDGET FORECAST FOR 2004/5

1	Expenditure	£	£
	Salaries	30,000	
	Fuel	4,800	
	Insurance	1,600	
	Vehicle Servicing	1,500	
	Office Accommodation and Stationery	<u>4,000</u>	
	TOTAL EXPENDITURE		41,900
2	Income		
	Balance b/f from 2003/4	2,400	
	Grant from Rochford District Council	18,000	
	Membership Fees	1,000	
	Fare Income	<u>5,000</u>	
	TOTAL INCOME		<u>26,400</u>
	<u>EXCESS OF EXPENDITURE</u>		<u>15,500</u>