

Swindon Dial A Ride service options

Cabinet

Date: 14th June 2017

Author: Cabinet Member for Communities and Place
Head of Highways & Transport

Wards: All

Locality Affected: All

Parishes Affected: All

1. Purpose and Reasons

- 1.1 Following changes to the contract with Swindon Dial A Ride (SDAR) implemented in September 2016, a motion was passed at Council on 22nd September 2016 to:

‘(a) bring a report to Cabinet detailing the different options the Council has to create new income streams for Dial a Ride to mitigate the effects of the organisation’s funding cut; and

(b) set up a cross-party Cabinet Member advisory group to monitor and review the Swindon Dial a Ride contract and ensure the aims of this motion are achieved.’

- 1.2 The report details the options and discussions with SDAR.

2. Recommendations

Cabinet is recommended to:

- 2.1 To note the content of the report detailing the options and discussions with Swindon Dial A Ride (SDAR).
- 2.2 To authorise the Head of Highways and Transport, in consultation with the Cabinet Member for Communities and Place, to develop any options that are considered viable by SDAR with a view to implementing possible options or allowing SDAR to tender for identified work.

3. Detail

Background

- 3.1 The Council currently contracts with Swindon Dial A Ride (SDAR) for demand responsive community transport services for those unable to use conventional buses. SDAR are a well-established charitable organisation who also provide wider services to communities within Swindon.
- 3.2 The Council’s contract with SDAR commenced in September 2013 for 3 years with an option to extend for a further 2 years. The contract was reviewed in 2016 for a September 2016 commencement and, in line with approved savings

Further information on the subject of this report can be obtained from Jason Humm, Direct Dial Telephone Number 01793 463201, jhumh@swindon.gov.uk.

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proposals, adjustments were made to the service provision and contract payments to SDAR for the extended 2 year term.

- 3.3 Following concern raised by members and receipt of a 4,000 signature petition regarding the impact that the contract changes might have on SDAR a motion was passed at Council on 22nd September 2016:
- ‘(a) bring a report to Cabinet detailing the different options the Council has to create new income streams for Dial a Ride to mitigate the effects of the organisation’s funding cut; and
 - (b) set up a cross-party Cabinet Member advisory group to monitor and review the Swindon Dial a Ride contract and ensure the aims of this motion are achieved.’
- 3.4 The service currently provided by SDAR is a door-to-door local passenger transport service. It is open to any individual within the SBC area who has difficulties in using conventional passenger transport services due to disability and has registered to use the service. It is designed for driver-only operation.
- 3.5 The service requires the Contractor to provide a booking office and operate accessible vehicles, enabling the provision of a service which is similar to a conventional bus service, but reflects the special requirements of its users in its operation and facilities provided on the vehicle.
- 3.6 Before 2013 SDAR provided for the Council, other services such as a dial a ride car service, use of an access car, minibus driver assessment, private hire to other clubs/groups, daytrips. Funding for these were withdrawn following the award of the 2013 tender for the service to them in September 2013.
- 3.7 In 2016 a report went to September Cabinet to reduce the provision for the Community Transport budget of £312.4k by £100k in a part year.
- 3.8 In September 2016, after a public consultation and negotiation of the existing contract, it was agreed that the contract with Swindon Dial A Ride would be extended for two years and that there would be a reduction in the cost of the service in line with a reduced level of service. Annual expenditure has reduced to £148.2k.
- 3.9 The service is now an off peak service only operating Monday to Friday 0900 to 1630 and meets the majority of user needs. At the same time the rural shopping day service provided by Swindon Dial A Ride continues at its current contract price.
- 3.10 The service is due to be tendered in early 2018 for a new contract beginning September 2018. Soft market testing will be undertaken in summer 2017 to gauge interest in how this service can be provided.
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Current operation

- 3.11 SDAR operate a small fleet of 11 adapted minibuses and 2 adapted mobility cars from an office and garaging site on Hawkesworth industrial estate.
- 3.12 They operate the Council's contract for dial a ride and the 'retail runner' – shopping service for elderly and limited mobility residents; the provision of some transport for neighbouring authorities; and provide a range of services to other organisations for the provision of supported transport (e.g. schools, health or day centres etc.).

CMAG

- 3.13 A CMAG has recently met to consider the options for widening the scope of the services that could potentially be operated by SDAR. Discussion covered the scope of services previously discussed with SDAR. It is clear that a number of potential options that have been discussed with SDAR historically and since September 2016 struggle to align with either their current business model, capacity or their charitable status.
- 3.14 Operating close to their full capacity of their own fleet during the day; limited office based staff to look at alternative options; high cost of capital investment to increase fleet numbers; and constraints on profit making through their charitable status does create a number of difficulties in bidding for or resourcing up for additional work.
- 3.15 Previous tendering opportunities that have been discussed with SDAR but have been unable to take forward in this regard have been SEND contract work; mainstream schools contracts; taxi provision; transport to day centres; locality hub work; Ad-hoc and emergency contracts.

Service Options

- 3.16 Historical discussions and recent meetings have indicated that a number of areas could however be explored in more depth.
- 3.17 The Current SDAR accommodation is leased up until September 2018, however a possibility of a peppercorn lease making use of existing unused council premises would benefit SDAR and will be considered through SBC's property team. This would need to be considered against and commercial advantage that this might create if SDAR were to bid for future work.
- 3.18 The size of school transport contracts bundles could be adjusted to better align with the SDAR contract model and capacity. Too large a tender and fleet capacity is an issue, too small and time tendering becomes inefficient. Hence in the future contract sizes and bundles will be discussed and considered as part of the SDAR operational meetings.

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- 3.19 Greater visibility of possible S106 monies through new developments such as Wichelstowe, Tadpole Farm and NEV, for community transport would help to improve the alignment of the SDAR business model. This can be picked up through contract meetings and details from the Council's S106 officer.
- 3.20 At present the 2 accessible vehicles are not permitted to use bus lanes. An exemption for these 2 vehicles could improve operational efficiency and will be explored within the bounds of current legislation.

Longer-term issues

- 3.21 A move from tendering services to grant based could be explored. At present SDAR operate as an arm's length organisation hence this would create a significant change to the SDAR business model and have implications to the Council's operations and service provision. There are also risks around securing value for money for services that were previously tendered.
- 3.22 The Council's stated budget position and that agreed in the bus service strategy (agreed in September 2016) is currently to withdraw funding for all supported bus services by 2020. It is clear that further work will be required to progress this commitment, however consideration will be given to the implications to SDAR beyond their current contract with the Council to September 2018.

4. Alternative Options

- 4.1 A do nothing option would be to continue with the current relationship through the existing contract arrangements and joint contract management meetings. SDAR are a fully independent charitable organisation and as such directly control their own business model.
- 4.2 SDAR have acknowledged that their current business model ensures they are sustainable to at least September 2018 to tie in with the end of the current contract

5. Implications, Diversity Impact Assessment and Risk Management

Financial and Procurement Implications

- 5.1 The current contract is established until September 2018. The council need to be mindful not to provide commercial advantage to SDAR in relation to future bidding opportunities.
- 5.2 Committed savings related to the current contract operation have already been made.
- 5.3 A decision to change support for revenue funded services up to and beyond 2020 would have financial implications to the Council in the future.

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Diversity Impact Assessment

- 5.4 A Diversity Impact Assessment (DIA) was completed as part of the bus strategy review work in September 2016 and as such has included the changes to SDAR contract within its scope.

6. Consultees

- 6.1 The Board Director, Resources (Section 151 Officer) and Director of Law and Democratic Services (Monitoring Officer) are consulted in respect of all reports.

7. Background Papers

- 7.1 None

8. Appendices

- 8.1 None

9. Key Decision/Decision in Cabinet Work Programme and Forward Plan

- 9.1 No.