



Communities
Overview Committee

21 May 2018

Item

Public

**MINUTES OF THE COMMUNITIES OVERVIEW COMMITTEE MEETING HELD ON
23 APRIL 2018
2.00 - 3.15 PM**

Responsible Officer: Amanda Holyoak

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Present

Councillor Cecilia Motley (Chairman)

Councillors Nick Hignett (Vice Chairman), Andy Boddington, Ted Clarke, Vivienne Parry, Keith Roberts, Leslie Winwood and Tina Woodward

34 Apologies for Absence and Substitutions

Apologies were received from Councillor Rob Gittins.

35 Disclosable Pecuniary Interests

Councillor Les Winwood reported that he was a Trustee of Bridgnorth Community Transport Group.

36 Minutes of the meeting held on 12 March 2018

Minutes of the meeting held on 12 March 2018 were confirmed as a correct record.

37 Public Question Time

There were no public questions.

38 Member Question Time

There were no questions from members.

39 Community Transport

James Willocks, Transport Commissioning Group Manager, and Chris Purcell, Principal Review and Procurement Officer were welcomed to the meeting.

The Chair said that at this stage the purpose of the meeting was to gather information on community transport and on the potential outcome of a current Department for Transport consultation on the Shropshire Community Transport Groups.

Officers provided a presentation summarising the report circulated to members (copies of report and presentation attached to signed minutes). The presentation covered: the role of community transport in providing a key safety net in the county; how community transport operated; maps showing the current local bus service network, location of the population and significant gaps between these; the Community Transport Consortium; Community Transport Grant Payments; and the potential outcome of the current Department for Transport Section 19/22 consultation.

The Committee heard that community transport groups had not received an inflationary price rise to their grants from Shropshire Council in many years and had looked for opportunities for development to offset this, particularly as for many of them activity had increased significantly. They had bid for and now operated some contracted routes, such as school transport and old Shropshire Link routes. They were providing an excellent service and was not for profit activity that subsidised other community activities.

The Transport Commissioning Manager explained that although community transport groups operate within a light-touch regulatory framework compared to commercial operators, they had nonetheless been bidding for, winning and operating contracted council services such as school transport. This was because the Department for Transport had until recently viewed such groups as being exempt from the full suite of commercial regulation as they were non-profit organisations. This resulted in a legal challenge from some commercial operators, who felt that community transport groups were winning contracts unfairly against operators burdened by full commercial regulation.

As a result of the legal action, the Department for Transport recently issued a decision notice that confirmed that any community transport group that undertook commercial contract work would be subject to full commercial regulation, even if it operated as a non-profit organisation. This had led to concern in particular for three of the largest community transport groups in Shropshire, all of whom operate contracted services for Shropshire Council. If they were not able to operate these routes there would be a funding shortfall which would bring into doubt their operation.

Members heard that Shropshire's unique geography meant that community transport was not displacing commercial operators, who were in fact understanding and supportive of community transport. The Committee were concerned that the consultation was the government seeking a blanket solution which would be completely unacceptable in Shropshire. They heard the Transport Select Committee had already suggested that the proposal was misguided and did not anticipate the potential impact.

It was anticipated that the outcome of the consultation would be known late summer and it would then be known if it would be necessary to retender contracts held by community transport operators to see if any other bidders were interested before they could be awarded. The burdens of commercial operation would be significant and it was highly unlikely that volunteers would be secured and could mean potentially having to employ staff.

Members asked if Town and Parish Councils had been directly involved in the consultation. The committee felt that they should be alerted to it as soon as possible.

The discussion also went on to cover why some organisations sat outside of the Community Transport Consortium, whether apportioning funding differently could help ensure sustainability of community transport and if any other funding revenue streams could be available if the contracts had to be given up. These were all areas a Task and Finish Group would need to consider and it was confirmed that the Group would seek to hear directly from community transport organisations.

Officers reported that help would be provided in helping community transport organisations with their sustainability whether these contracts had to be given up or not. Adult Social Care, the Clinical Commissioning Group and other partners were being drawn into these discussions and asked to assess the impact of the loss of community transport - which often enabled people to stay independent in their homes.

Attention was also drawn to the great benefits experienced by volunteer drivers through social contact and purpose. A recent report commissioned by Community Transport Consortium had shown that annual value was in excess of £0.5m and for every £1 invested, £12 was obtained in social value.

It was agreed that:

Town and Parish Councils be alerted to the consultation as soon as possible, in advance of their annual meetings

The Committee recommend that a response be made to the consultation from the Council emphasising that regulation proposed was likely to result in unintended consequence of community transport organisations ceasing to be sustainable and that this would have a severely detrimental impact and result in increasing costs to the public sector.

That a Task and Finish Group of seven members be set up to consider how to improve sustainability of community transport in the medium to long term and address the outcomes of the DfT consultation, with the work to start in early summer, ahead of the consultation outcome.

Signed (Chairman)

Date: