

## **Delegated Decision**

**30<sup>th</sup> January 2024**

## **LTP3 Grant Funding for Community Transport**

## **Ordinary Decision**



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## **Report of Regeneration and Local Services**

**Mark Jackson, Head of Transport and Contract Services**

### **Electoral division(s) affected:**

There are a number of community transport operators in county Durham and between them they cover all electoral divisions. They have all been invited to submit business cases detailing their needs for vehicle replacement in 2023-24. However the only organisation to come forward with an application is Upper Teesdale Agricultural Support Services (UTASS). The organisation covers all electoral wards in Teesdale and neighbouring areas.

### **Purpose of the Report**

- 1 To seek approval to allocate LTP3 (Year 13) grant funding to UTASS. This funding contribution will assist with the purchase of a new minibus to replace an ageing vehicle from the current fleet.

### **Recommendation**

- 2 It is proposed that DCC allocate LTP3 capital funds as follows:
  - £38,343 to 'Upper Teesdale Agricultural Support Services'This figure represents a 70% contribution towards the total cost of the vehicle which is £54,776. The remaining 30% of the cost being covered by the residual value of the vehicle to be replaced, and external funding sources identified and secured by UTASS (Cllr's allocated budget and AAP priority funding).
- 3 It is proposed that the organisation enter into the standard 5 year SLA, which covers all legalities of service operation. (Appendix 2)

- 4 You are recommended to approve the allocation of funding as detailed above.

## **Background**

- 5 UTASS currently operate 2 minibuses under Section 19 Licence, undertaking numerous activities in and around the local community and beyond. It is imperative that they have the capacity to deliver and maintain the highest standard of service by operating fit for purpose, reliable vehicles. The capital grant funding support from DCC is vital in maintaining the organisations ongoing operations. In view of the above, UTASS would like to replace the older of the 2 vehicles (2011) which is now incurring substantial maintenance costs.
- 6 Full details of the aims & objectives of the scheme are outlined in the attached business case. (Appendix 3)

## **Options**

Only one option as detailed above – Allocate DCC grant funding to enable a not for profit, charitable organisation to purchase a community transport minibus for use in and around local communities and beyond.

## **Main implications**

None – See standard implications.

## **Conclusion**

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## **Appendix 1: Implications**

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### **Legal Implications**

No implications.

### **Finance**

£38,343 allocated from LTP3 capital funds.

### **Consultation**

Numerous discussions have taken place with 'Upper Teesdale Agricultural Support Services'. Business cases have been provided and an in-depth understanding of the financial side of the organisations has been gained. DCC officers and 'UTASS' have a full understanding of the arrangements and are in full agreement with the proposal.

Consultation has taken place with the cabinet portfolio holder (Cllr. Elizabeth Scott).

### **Equality and Diversity / Public Sector Equality Duty**

No implications.

### **Human Rights**

No implications.

### **Crime and Disorder**

No implications.

### **Staffing**

No implications.

### **Accommodation**

No implications.

### **Risk**

No implications.

### **Procurement**

No implications.

**Business Case Pro Forma**  
**LTP3 - Capital Programme for CT Vehicle Purchase**  
**Year 14 (2023/24)**

**Brief Description of Scheme: UTASS Community Transport**

**Area: Teesdale**

**Location of Scheme: Teesdale- based in Middleton-in-Teesdale**

**Scheme Promoter (operator): Upper Teesdale Agricultural Support Services Ltd (UTASS)**

- **Reasons/Background:**

UTASS currently provides two minibuses for community use. The larger of our buses was purchased in 2011, with a further bus purchased in 2016.

Buses are used by UTASS throughout our delivery of community services, to ensure that local people are able to access opportunities further afield that are of interest to them, i.e. currently used for fortnightly shopping trips, monthly ladies outings and used by the UTASS youth team to help young people from outlying farms and properties to be able to get to Middleton for youth drop in activities. In addition, both buses are available to be booked by community-based organisations and groups, to support them in their delivery of community activities.

In the past 12 months the UTASS minibuses have made 174 journeys. 380 adults and 271 children have been carried on these journeys. 132 of the journeys were made by external community groups and organisations, with the remainder being linked to UTASS community activity. Overall within the 12 month period 7365 miles have been travelled by our community transport minibuses.

The 2011 bus is coming to the end of its lifespan and is becoming very costly to maintain. We would like to access funding to support us with a replacement bus, that will enable us to continue to deliver the community transport offer that we have become well known for.

If funding cannot be secured towards this replacement, we would need to reduce our provision to solely focus on the use of one bus. This would not only limit the opportunity for our transport to be used by local groups and organisations, but it would also have an implication in reducing the number of people who would be able to engage in the opportunities that UTASS currently delivers using the minibuses, which have huge benefits in terms of helping people living locally to access services and helping create better networks to reduce the risk of loneliness and isolation.

- **Outcomes/Objectives**

This project will achieve the following:

- Replacement of one community minibus to be managed by UTASS
- Support to the local community to access essential services outside their immediate area, through provision of a varied programme of community transport opportunities to popular shopping locations, town centres, service providers etc.

- Increased social connections across the upper Teesdale community thanks to minibus transport providing opportunities for varied group outings and excursions

We will maintain records that will help us to illustrate the difference that this project makes upon the local community. This will include recording outputs and evidence to support us with reporting against our objectives as outlined above, including robust records on number of journeys, destinations of travel, number of adults and children engaged throughout the community transport offer.

As an experienced organisation, when it comes to both community transport provision and accessing and managing external funding, we are accustomed to gathering, maintaining and reporting data and information to illustrate that our activity is having upon our local community and we are confident that we are able to meet the requirements of the funder in this case.

- **Options:**

We have discussed the potential of limiting our operation to just one minibus, however we are concerned about the limit that this would have upon our delivery and the wider opportunities that we are currently able to provide to other local groups and organisations.

We have identified that the bus that we are looking to replace, will still have a decent part-exchange value, due to the nature of the vehicle. We hope to achieve at least £5000 which we would look to then invest in the replacement vehicle.

We have identified some other funders who we are able to approach to meet the expected shortfall, however due to the challenging nature of funding community transport, we have not identified any funders that would be able to provide the level of funding that is available through LTP3. UTASS is in a position to be able to contribute towards the purchase, should match funding not be as easy to access as expected, as we recognise community transport as one of our strategic priorities, however as a local charity, we certainly do not have the funds to be able to fully cover the costs of the replacement vehicle. If we can avoid using UTASS reserves towards this project, this supports our ongoing sustainability, as it means that those precious reserves that we have worked hard to build in recent years can continue to be kept to use towards retention of our wide range of community services into the future.

- **Proposal:**

This project will see UTASS replace the older of our two community minibuses, with a new minibus which will enable us to continue to deliver a similar community transport operation to the activity that we currently deliver.

The replacement minibus will enable UTASS to retain the level of service that is currently available, as we see that there is continuing demand for this level of service from the local community.

The new bus will be used to deliver a range of opportunities for local people to access services and activities, that UTASS is involved in arranging, in addition to being available for use by local groups and organisations to support their own community objectives.

Based on previous experience, this use is likely to include local sports teams, schools, community organisations i.e. the North Pennine's AONB team, TCR Hub (when additional buses are needed by them) and other local groups including Rainbows, Scouts etc.

We continue to be a member of the Community Transport Network and look to engage in networking opportunities when we can, so we can continue to learn from others and use information to inform our future delivery plans.

In addition we work together with many other local groups and organisations across the dales and look to complement each other's work wherever possible. We will continue to develop partnerships throughout our community transport delivery, to ensure that we maximise the opportunities provided to and the impact on people living across the dales.

- **Benefits:**

This scheme will achieve the following benefits:

- provision of a community transport offer within a very rural area, helping local people to travel within and outside of their local patch
- increased access to services for people living in rural Teesdale
- reduction in feelings of isolation and loneliness across one of the most rural parts of the county as local people take advantage of the social opportunities available thanks to the community transport offer
- support to a well-established community based organisation to continue to provide community-led services and opportunities

UTASS is currently an active community transport provider, with the enthusiasm, experience and interest to continue to successfully deliver this as long as it is needed by our local community. The replacement vehicle can help to sustain our current level of activity and we would like to think this will help us to expand our level of activity into the future.

We will retain robust records of community transport use throughout our operation, which will include journey numbers, distance travelled, number of passengers, number of volunteer drivers etc.

We expect to start to see benefits as soon as the new vehicle has been purchased and is operational, as it will be used within the booking system as soon as possible.

As part of the community transport network, this scheme will provide opportunities for other community transport providers locally as needed, for example we already have links with TCR Hub in Barnard Castle so our vehicles can be called upon when their interest exceeds the capacity of their fleet.

- **Risks:**

The key risks are as follows:

-Insufficient funds available to purchase the new vehicle- applying for funds from DCC in addition to other smaller funders, to contribute towards the purchase. Some resale/ part-exchange value within the current vehicle, which will contribute to the overall cost.

- Unsuitable vehicle purchased – mitigated as the brief for the vehicle has been informed by UTASS' extensive experience of delivering a community transport scheme as well as with input from one of our volunteers, who also has significant experience of community transport from their previous role.

-Insufficient use of new vehicle- UTASS has an existing successful community transport offer, using two minibuses. As we are asking for a replacement minibus for the older of the two vehicles, we feel that we have sufficient community need and usage to warrant this replacement. We will have ongoing support throughout our Admin Support Team to promote the community transport offer effectively into the future, to ensure that we continue to spread the word on the opportunities available to the community and continue to engage with more new groups and users.

-Insufficient volunteer drivers for new vehicle- UTASS has an existing volunteer driver list of 18 volunteers. Some of these volunteers are more active than others, however we feel that the list is sufficient for us to effectively manage the community transport offer using the two vehicles, as we have a proven track record of being able to achieve this, having been running two vehicles since back in 2016. In order to reduce the risk of losing existing volunteers we link our volunteer drivers in with the wider work of UTASS and they will be supported by a Volunteer Support Worker from the summer of 2023, which is a new role that we have developed to ensure volunteers feel supported throughout the work that they do with us. We also promote the opportunity of volunteer driver on a regular basis to ensure that people know about the chance to volunteer in this way to support their local community.

#### Exit Strategy

UTASS is committed to providing a community transport function for as long as community need determines that this service continues to be needed here. As a longstanding community organisation, we are accustomed to seeking and securing funding to support our delivery and expect that we will need to continue to do this to support our community transport delivery into the future.

Should there be a change in circumstances in the future that alters the community need underpinning this community transport service, we will review the way in which we deliver this work. This may include changes to the nature of the activity that the community transport service is involved with or the level of community transport that we provide. Due to the very rural area that we cover and the close relationship that we have with people living and working here, we cannot see a significant reduction in the need for this type of service moving forward.

- **Financial Analysis:**

- Outline the estimated cost. Include an appropriate contingency and if appropriate where the funding will come from to support LTP3 funding.
- Identify capital/revenue streams of scheme in tabular form.

- **Ongoing Management and Reporting Procedure**

UTASS commits to the ongoing management and reporting procedure as required by DCC, as outlined below:

1. Covered by Service Level Agreement

- Vehicle purchase
- Conditions and inspection of vehicles
- Targets and objectives
- Penalties for failure
- Exit strategy
- Risk apportionment between any partners involved

2. Quarterly report

- Progress report on targets/passenger loadings/bookings
- Operational Issues
- Marketing
- Staffing
- Revenue collection
- Vehicle performance

• **Timescale for Scheme:**

Time for implementation/Key milestones

- Vehicle purchase- End of 2023
- Scheme launch- Upon purchase

• **Marketing and Publicity**

We will continue to promote our community transport offer widely, to ensure that local people and organisations are aware of the opportunities that we provide. This will include ongoing promotion online (UTASS website/ partners website as appropriate) including social media use, alongside more traditional approaches to promotion including posters/ flyers and use of local press.

We will also continue to promote the opportunity throughout our partnership working, to ensure that partners are aware of the opportunity to use our buses throughout their work and the opportunity to hire the buses with volunteers drivers also.

We see the purchase of the new bus as an ideal opportunity for a burst of promotion, which will give the opportunity to not only share the excitement of the purchase with our community but also the chance to showcase how we are working together with Durham County Council to address rural transport related challenges across our area.





## **Service Level Agreement (SLA) for the Operation of the Upper Teesdale Agricultural Support Services Transport Scheme**

THIS SERVICE LEVEL AGREEMENT is made the ???? day of ???? 2023 BETWEEN:

- (1) Durham County Council, County Hall, Durham, DH1 5UQ ('the Council'); and
- (2) Upper Teesdale Agricultural Support Services whose registered office is at: 9-11 Chapel Row, Middleton-in-Teesdale, Barnard Castle, County Durham DL12 0SN ('the Operator')

NOW IT IS AGREED as follows:

The Council has agreed to provide to the Operator the amount of £38,343 ("the Contribution") to assist in the purchase of the Vehicle(s) to be used primarily for the provision of the Service. This represents 70% of the overall cost of the vehicle, which is £54,776

The Operator has agreed to accept the Contribution on the terms and conditions herein.

### **1 Definitions and Interpretations**

For the purposes of this Agreement, the following meanings shall apply:

- 1.1 "Service" means the provision of community transport services to meet the needs of the local community, as described in the Business Case in **Appendix 2**.
- 1.2 "Vehicle" means a Fiat Ducato Professional Premium fully accessible minibus, to be purchased by the Operator using the Contribution to operate the scheme. Registration Number: ???????
- 1.3 "the SLA Period" means from the date of Service Level Agreement above until 23:59 on ??????????.
- 1.4 Unless expressly stated to the contrary, any reference to a specific statute or to statutes generally includes any statutory extension or

modification, amendment or re-enactment of it or them and any regulations or orders made under it or them.

## 2 Funding

- 2.1 The Council will make available the Contribution to the Operator to purchase the vehicles for the purposes of the scheme.
- 2.2 The Contribution will be paid direct to the Operator by the Council on receipt of a signed Agreement.
- 2.3 The Operator shall use the Contribution for the purposes of purchasing the Vehicle and operate the Service as laid out in the completed business case in **Appendix 2**.
- 2.4 Should the Operator fail to observe any of the terms and conditions of this Agreement including the performance targets as set out in the business case in **Appendix 2**, to the satisfaction of the Council, the Council shall implement the following procedure
- (a) issue a written notice ("Notice") to the Operator stating the action required in order to remedy the breach.
  - (b) should the operator fail to remedy the breach within 30 (thirty) days of receiving Notice, unless otherwise specified, the Council shall be entitled, but not obliged, to terminate this Agreement on written notice to the Operator.
  - (c) should the breach be so fundamental or serious as to make remedy impossible, such as but not limited to fraud or false accounting, the council shall be entitled to terminate this agreement with immediate effect.
  - (d) should resolution of disputes prove impossible, then the procedure detailed in section 9.2 will be used.
- Such terminations shall be without prejudice to any claims which the Council may have for damages against the Operator occasioned by the termination of this Agreement in terms of this clause.
- 2.5 In the event of termination of the Agreement, the best price reasonably obtainable for the Vehicle shall be established by its sale or valuation, and a proportion of that amount paid to the Council, calculated as follows:

$$\text{Payment to the Council} = \left( \text{best price reasonably obtainable} \right) \times \left( \frac{\text{Contribution}}{\text{Purchase cost}} \right)$$

Alternatively, in lieu of reimbursing the Council with a sum obtained from the sale of the Vehicle, the Operator may discharge their obligation by returning the Vehicle to the Council in good condition.

- 2.5.1 The sum owed to the Council shall be paid promptly and in any event within 30 days of receipt by the Operator of a written demand for payment.

2.6 The Operator shall not, during the SLA Period, sell, dispose of, materially alter or change the use of, or otherwise give control of The Vehicle to any other party, except as expressly agreed in writing by the Council.

### **3. General, Liability and Insurance**

3.1 In respect of the Contribution, the Operator shall comply with any reasonable requests or instructions from the Council whether received in writing or by e-mail.

3.2 The Operator shall ensure that all the vehicles and drivers are properly licensed.

3.3 The Operator shall ensure that all staff and volunteers employed or used in the delivery of the Service are suitably qualified and appropriately trained for their duties.

3.4 The Operator shall ensure that all the vehicles used under this Agreement are maintained in a roadworthy condition at all times. In the event of a vehicle breakdown the Operator will make such arrangements as are necessary to maintain continuity of service.

3.5 The Operator shall maintain fully comprehensive insurance cover for hire and reward for all the vehicles used under this Agreement and shall make all insurance documents available for inspection by the Council on demand.

3.6 The Operator shall be the registered keeper of the vehicles as shown on the V5C registration document.

3.7 The Operator shall ensure that the taxation class shown on the registration document is correct for the type of Vehicle and its use.

3.8 The livery of the vehicle will be agreed with the Council, and the Operator shall ensure that this is maintained complete and in good order.

3.9 The operator shall be responsible for the preparation and cost of any publicity for the Service. Any such publicity must acknowledge the contribution made by the Council and for that reason must be approved by an appropriate officer of the Council.

3.10 The Operator shall be liable for and shall indemnify the Council against any expense, liability, loss, claim or proceeding in respect of any injury or damage whatsoever to any property real or personal in so far as such injury or damage arises out of or in the course of or by reason of the conduct of operations under this Agreement and shall be insured to a minimum sum of £10 million in respect of any one claim.

- 3.11 The vehicles will not be used by the personnel of the Operator for personal or private use.
- 3.12 The operator will not use or permit the vehicles to be used for any regular transport for the Council nor for any other public-sector body nor for any public-sector funded projects, without obtaining express permission in writing from the Council.
- 3.13 The Operator shall pay all fines, taxes and other such charges in relation to the use of the Vehicle(s).

**4 Disclosure of and requests for information under the Data Protection Act 1998 (“DPA”) and Freedom of Information Act 2000 (“FOI”)**

- 4.1 Notwithstanding anything to the contrary contained or implied in any documents or negotiations leading to the formation of this Agreement, the Council shall be entitled:
  - a) to publish some or all of the information provided to it by the Operator in its publication scheme as required under the FOI Act and/or
  - b) to release any and all terms or conditions of this Agreement, the contents of any documents and/or information relating to the formation of this Agreement under the provision of the FOI or DPA as it sees fit and is required to by law;and

Nothing in this Agreement shall prevent the Council from disclosing and/or publishing under the provisions of the DPA and FOI any term or condition or information contained in or relating to the formation of this Agreement.

- 4.2 The Operator shall:
  - a) Cooperate with the Council and supply to it all necessary information and documentation required in connection with any request received by the Council under the DPA or FOI.
  - b) Supply such information and documentation at no cost to the Council and within seven (7) days of receipt of any request.
- 4.3 The Operator shall not:
  - a) publish or
  - b) otherwise disclose any information contained in this Agreement or in any negotiations leading to it without the previous written consent unless the Operator is bound to publish and/or disclose such information under the DPA or FOI and such information is not exempt from such disclosure and/or publication under the provisions of the DPA or FOI.

**5 Severability**

- 5.1 If any term, condition or provision contained in this contract shall be held to be invalid, unlawful or unenforceable to any extent, such term,

condition or provision shall not affect the validity, legality or enforceability of the remaining parts of this contract.

**6. Assignment**

6.1 The benefit of this Service Level Agreement is personal to the Operator and not assignable.

**7 Jurisdiction**

7.1 The laws of England and Wales shall govern this agreement

**8. Notices**

8.1 All notices required or permitted to be given under this Agreement shall be in writing and sent by first class letter or delivered to the other party at the address stated herein or at such other address as the appropriate party may from time to time designate and if so sent shall, subject to proof to the contrary be deemed to have been received by the addressee, if sent by post, on the second business day after the date of posting, or if delivered, on the date of delivery.

**9. Termination**

9.1 This Agreement may be terminated by either party giving one calendar months notice in writing to the other party or as described in 2.4 (c). This notice period may be varied with mutual consent.

9.2 Every effort will be made to resolve disputes amicably between the parties involved, before recourse to termination, external assistance or arbitration. If recourse to arbitration is necessary, the dispute will, at the option of the aggrieved party, be referred to a single arbitrator acceptable to all parties. The decision will be binding on both parties. The arbitrator shall be appointed on agreement by the parties or in default of agreement by the Chairman of the Institute of Arbitration.

Signature for Durham County Council.

Name: Adam Robinson



Position: Accessibility and Network Planning

Date: ????

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Signature for East Durham Community Transport (the Operator).

Name: Grace Crawford

Position: Operations Manager

Date: ????

## **Appendix 1**

### **Quarterly Monitoring Information**

The following information will be required by the Council from the Operator in relation to the Service provided on a quarterly basis:

#### **Patronage**

- Number of minibus hires
- Total passenger trips
- Passenger trips involving wheelchairs
- Total vehicle miles
- Number of refused hires

#### **User Profile**

- Number of hiring organisations
- Number of new hiring organisations
- Profile of hiring organisations
- Frequency of use by hiring organisations
- Date records last updated

#### **Operation**

- Number and nature of complaints.
- Outcome of complaints

#### **Finance**

- Income from hires