

# EXECUTIVE COMMITTEE

10th November 2010

## DIAL A RIDE TASK AND FINISH GROUP – FINAL REPORT

Relevant Portfolio Holder	Councillor Carole Gandy, Portfolio Holder for Community Leadership and Partnerships / Councillor Jinny Pearce Portfolio Holder for Planning, Regeneration, Economic Development and Transport.
Relevant Head of Service	Angie Heighway, Head of Community Services
Key Decision	

### 1. SUMMARY OF PROPOSALS

This report details the reconvened Dial a Ride Task and Finish Group's final recommendations. The Group has largely endorsed the proposals detailed by Officers, in the *Dial a Ride Service – Review* report, though a few alterations are suggested as detailed in the report below.

Changes to the recommendations that have been proposed by Officers are underlined in the text below. Further information about the alterations is provided in Section four of the report below)

### 2. RECOMMENDATIONS

The Committee is asked to **RESOLVE** that

- 1) **subject to any budget setting considerations, the Council continue to deliver the Dial a Ride service;**
- 2) **expenditure of up to the amount of any capital funding agreed in due course by the Council be approved in accordance with Standing Order 41, for the purposes defined in the Dial a Ride Service – Review report; and**

to **RECOMMEND** that

- 1) **with effect from April 2011, the discount offered to passengers who have a Concessionary Bus Pass be decreased from 50% to 24%, which will increase the fare paid from £1.05 to £1.60 there be an increase in concessionary rate fees for use of the service from £1.05 to £1.50, subject to review in 12 months' time;**

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- 2) **capital investment in fleet replacement be included in the Capital Replacement Programme, and that a full business case be developed exploring the options for the continuing use of the existing fleet;**
- 3) **the possibility of closer working with Bromsgrove District Council, regarding the Bromsgrove Urban and Rural Transport (BURT) service, be assessed in respect of potential cost saving opportunities for both Councils; and**
- 4) **further opportunities for additional types of provision, which would include the hire of vehicles to community groups, registering for contracts with Worcestershire County Council and having the option to have a mixed fleet of vehicles, be investigated.**

**3. BACKGROUND**

- 3.1 The Overview and Scrutiny Dial a Ride Task and Finish review was launched in April 2009. In 2009/10 the membership of the Group consisted of Councillors Robin King (Chair) and Councillors Greg Chance, Anita Clayton and William Norton. The membership of the Group altered slightly in May 2010 when Councillor Graham Vickery replaced Councillor Chance.
- 3.2 The launch of the review originally followed receipt of a report on the subject of the service by the Council's Audit and Governance Committee. The report contained information regarding: monthly usage figures; the cost of running the service to the Council; the average cost of running the service to the Council Tax payer; and the current fare level. However, it was not possible to present some of the information that had been requested by Members including the percentage of vehicle downtime. It had also proved difficult to undertake comparative work to benchmark the Council's performance against the performance of other local authorities that operated similar services.
- 3.3 The Audit and Governance Committee had a number of concerns about the report and agreed that a further review of the subject would be suitable. The Committee referred the matter to scrutiny as it was considered a suitable topic for a Task and Finish review exercise.
- 3.4 As part of the Task and Finish review Members interviewed relevant Officers about the operation of the service. Members of the Group also accompanied a number of Dial a Ride drivers on journeys that took place

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across the Borough and spoke to customers about the service they were receiving. Customer surveys were produced by Officers during the course of the review and Members considered the feedback that was provided.

- 3.5 The Task and Finish Group was aware throughout that Officers were due to produce a report on the subject of the service. Members agreed that the content of this report would inform their recommendations. However, they recognised that the Officer report would take some time to produce and there was some reluctance to continue to convene meetings of the Group until the document was available. For this reason in February 2010 the Overview and Scrutiny Committee agreed to postpone further progress with the review until the report from Officers had been completed.
- 3.6 The Overview and Scrutiny Committee subsequently reviewed Officers' proposals at meetings on 6th October and 27th October 2010. The Committee concluded that the Task and Finish Group should be reconvened to consider the report prior to its consideration by the Executive Committee, owing to the level of expertise the Group had developed on the subject.

### 4. KEY ISSUES

- 4.1 The Task and Finish Group endorsed the majority of the recommendations detailed by Officers in the *Dial a Ride Service – Review* report. However, the Group has suggested a small number of amendments. These amendments, together with the Group's reasons for endorsing each recommendation, are detailed below.
- 4.2 **Recommendation One: We recommend that subject to any budget setting considerations, the Council continue to deliver the Dial a Ride service. (No change)**
- 4.2.1 The Task and Finish Group was in agreement throughout the review that Dial a Ride was a valuable service. Members were keen to ensure that the service would remain in operation, though they recognised that alterations might need to be made to improve the efficiency of the process. The Group is therefore proposing that this recommendation should be endorsed.
- 4.2.2 However, the Group also recognises that the Council's budget has not yet been set for the following year. In the current economic climate Members agreed that the proposal that the continuing delivery of the

service should be subject to budget setting considerations represented a sensible suggestion.

**4.3 Recommendation Two: We recommend that expenditure of up to the amount of any capital funding agreed in due course by the Council be approved in accordance with Standing Order 41, for the purposes defined in the report. (No change)**

4.3.1 The Dial a Ride Task and Finish Group recognised that this was a necessary procedural recommendation.

**4.4 Recommendation Three: We recommend that there be an increase in concessionary rate fees for use of the service from £1.05 to £1.50, subject to review in 12 months time. (Change)**

4.4.1 The Task and Finish Group assessed the price levied for a single journey during the course of their review. They recognised that Officers' proposals to increase the fee to £1.60 had been informed by the suggestions proposed by JMP Consultants in their independent review of the service. However, the Dial a Ride Task and Finish Group believed that £1.50 would represent a more appropriate concessionary rate fee level at this stage.

4.4.2 During the course of their review Members were advised that the concessionary rate fee for a single journey was currently £1.05. This fee was not necessarily considered appropriate for the vulnerable clients, particularly elderly customers, who regularly used the service. In particular, the fee was not convenient for these customers as they frequently had to spend time searching for small change whilst waiting to board the vehicles. During such times the personal safety and possessions of these customers were placed in a vulnerable position.

4.4.3 The Dial a Ride Task and Finish Group has expressed some concern that a fee of £1.60 would not help to address this situation. Instead, Members concluded that a fee of £1.50 would be more suitable for these customers as less small change would be required by passengers.

4.4.4 JMP Consulting have predicted that, assuming current levels of usage are maintained, additional revenue of £18,000 would be generated if the price was increased to £1.60. The Group recognises that an increase in the concessionary rate fare for a single journey to £1.50 would impact on the level of additional revenue that the Council could

expect to generate from single journeys. However, they do not believe that there is a guarantee that usage levels will remain the same and have suggested that some customers might be deterred by the price increase, particularly if this is raised to £1.60.

- 4.4.5 Members are therefore suggesting that the price increase should be reassessed in 12 months' time. This would provide Members with an opportunity to assess the level of income generated by the concessionary rate fare for single journeys when charged at £1.50. A comparison could be made to the level of income predicted by JMP Consulting. Based on this comparison Members could make further informed decisions about suitable fees for the future.
- 4.5 **Recommendation Four: We recommend that capital investment in fleet replacement be included in the Capital Replacement Programme, and that a full business case be developed exploring the options for the continuing use of the existing fleet. (Change)**
- 4.5.1 The Dial a Ride Task and Finish Group agreed that capital investment in fleet replacement was important as over time they recognise the existing fleet will need to be replaced in order to maintain a consistent service.
- 4.5.2 The Group suggested that this recommendation could be extended further. In particular, the Group observed that many of the older vehicles in the Council's fleet were in good condition. Often the vehicles had amassed in excess of 100,000 miles. However, this did not necessarily mean the condition of the vehicles was deteriorating. Indeed, Members noted that many private transport and taxi companies use older vehicles which have accrued high mileage. This usage is thought to be dependent on the companies' ability to secure good maintenance services.
- 4.5.4 Members are suggesting that a business case should be produced outlining all the options for the continuing use of the existing fleet. This business case could assess whether the period for use of the vehicles could be extended. In particular, the business case would need to determine whether it would be more cost effective to replace different parts within the vehicles, as and when required, to prolong the use of those vehicles rather than sell the vehicles. The Group contends that this action would help the Council to secure greatest value for money from the existing fleet.

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- 4.6 **Recommendation Five: We recommend that the possibility of closer working with Bromsgrove District Council, regarding the Bromsgrove Urban and Rural Transport (BURT) service, be assessed in respect of potential cost saving opportunities for both Councils. (No Change)**
- 4.6.1 The Dial a Ride Task and Finish Group would welcome any measures which would ensure the continuation of the service at the same time as potentially providing an opportunity to save on costs. The Group have therefore endorsed this recommendation.
- 4.7 **Recommendation Six: We recommend that further opportunities for additional types of provision, which would include the hire of vehicles to community groups, registering for contracts with Worcestershire County Council and having the option to have a mixed fleet of vehicles, be investigated. (No Change)**
- 4.7.1 The members of the Dial a Ride Task and Finish Group believe that all possible measures relating to the service should be investigated. Further investigation of the subject might help the Council to identify additional opportunities to reduce the operation costs and improve the efficiency of the service. The Group therefore endorsed this recommendation.

**5. FINANCIAL IMPLICATIONS**

The Task and Finish Group's proposal that the concessionary rate fee should be set at £1.50, rather than at £1.60 as proposed by Officers, would have financial implications. The additional revenue that could be generated if this fee was approved would probably differ from the level predicted by JMP Consultants.

**6. LEGAL IMPLICATIONS**

There are no additional legal implications to the points outlined in the *Dial a Ride Service – Review* report.

**7. POLICY IMPLICATIONS**

There are no additional policy implications to the points outlined in the *Dial a Ride Service – Review* report.

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**8. COUNCIL OBJECTIVES**

The Council aims to be a well managed organisation. The Task and Finish Group contends that the development of a business case exploring options for the future use of the existing vehicles corresponds with this objective.

**9. RISK MANAGEMENT INCLUDING HEALTH & SAFETY CONSIDERATIONS**

The Council would need to ensure that risk management and health and safety implications were considered as a part of a business case assessment of options for the continuing use of the existing vehicle fleet.

**10. CUSTOMER IMPLICATIONS**

There are no additional implications for the customer to the points outlined in the *Dial a Ride Service – Review* report.

**11. EQUALITIES AND DIVERSITY IMPLICATIONS**

There are no additional equalities or diversity implications to the points outlined in the *Dial a Ride Service – Review* report.

**12. VALUE FOR MONEY IMPLICATIONS, PROCUREMENT AND ASSET MANAGEMENT**

The Task and Finish Group is concerned that the existing vehicles would not have a particularly large resale value, owing to the age of the vehicles and their extensive mileage. They believe that if the vehicles were to be sold without first investigating additional options for extending the use of the vehicles, as suggested in recommendation four to the report, the Council would not necessarily secure value for money.

**13. CLIMATE CHANGE, CARBON IMPLICATIONS AND BIODIVERSITY**

Members have been advised that CO<sup>2</sup> emissions are lower for new and smaller buses. This would need to be considered as part of a business case review of options for the continuing use of the existing vehicle fleet.

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**14. HUMAN RESOURCES IMPLICATIONS**

There are no additional human resources implications to the points outlined in the *Dial a Ride Service – Review* report.

**15. GOVERNANCE/PERFORMANCE MANAGEMENT IMPLICATIONS**

There are no additional governance and performance management implications to the points outlined in the *Dial a Ride Service – Review* report.

**16. COMMUNITY SAFETY IMPLICATIONS INCLUDING SECTION 17 OF CRIME AND DISORDER ACT 1998**

There are no direct community safety implications.

**17. HEALTH INEQUALITIES IMPLICATIONS**

There are no additional implications for health inequalities to the points outlined in the *Dial a Ride Service – Review* report.

**18. LESSONS LEARNT**

No specific lessons have been learnt.

**19. COMMUNITY AND STAKEHOLDER ENGAGEMENT**

Officers dispatched a series of customer surveys in 2009 during the course of the Task and Finish review. The Group assessed the feedback that was provided by the customers as part of their review and the details informed their final recommendations.

**20. OTHERS CONSULTED ON THE REPORT**

Portfolio Holder	No.
Chief Executive	No.
Executive Director (S151 Officer)	No.
Executive Director – Leisure, Cultural, Environmental and Community Services	No.



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Executive Director – Planning & Regeneration, Regulatory and Housing Services	No.
Director of Policy, Performance and Partnerships	No.
Head of Service	Yes, the Head of Community Services was consulted by the Dial-A-Ride Task and Finish Group when discussing their final recommendations.
Head of Resources	No.
Head of Legal, Equalities & Democratic Services	No.
Corporate Procurement Team	No.

**21. WARDS AFFECTED**

All wards.

**22. BACKGROUND PAPERS**

Dial a Ride Task and Finish Group, Notes from meetings of the Group.

Dial a Ride Service – Review, report to the Executive Committee, 10th November 2010.

**AUTHOR OF REPORT**

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