

Resources Development & Scrutiny Panel Briefing Paper – Dial-a-Ride **Resources Development & Scrutiny Panel of 23rd November 2006**

Dial-a-Ride Performance Report (April '05 to March '06)

The purpose of this report is to evaluate Lincolnshire Dial-a-Ride's performance for the period 05/06 and bring to the Resource DSP's attention the latest partnership developments.

Overview

Dial-a-Ride is a countywide service providing door-to-door transport for those who are unable to use or who find it difficult to use public transport such as the elderly, disabled and vulnerable people or those who find themselves to be socially isolated. Dial-a-Ride offers more than just a taxi service, with all its drivers trained in both first aid and in the assistance of those with mobility problems.

Each district within the county is responsible for running its own scheme in conjunction with the County Council. Three minibuses, one based in Grantham, one in Stamford and the other in Bourne, provide the service in the South Kesteven area.

The service operates between 08:30am and 5:30pm from Mondays to Fridays and journeys can be made anywhere in Lincolnshire. Membership is £5.00 for 3 years for single members, £7.50 for family membership for 3 years or £5.00 per year for group membership.

Performance

The table below details the performance of the individual buses operated by Dial-a-Ride. SKDC buses are highlighted.

Dial-a-Ride's Performance from April '05 to March '06							
2005 - 2006	No of Passengers	No of Return journeys	No of Wheelchairs	Mileage	Mileage - travel 'to' and 'from'	Fare Revenue	Av. miles travelled per passenger
Skegness	3200	1600.0	875	20593	-	£4,829.95	12.9
Grantham	4803	2401.5	336	24566	24566	£5,190.20	10.2
Skegness 2	2162	1081.0	651	25771	-	£3,078.20	23.8
Bourne	3259	1629.5	443	27621	23121	£5,281.20	14.2
Alford & Mablethorpe	2375	1187.5	489	29815	-	£3,597.40	25.1
West Elloe	3547	1773.5	439	30748	-	£5,109.05	17.3
Gainsborough	3524	1762.0	502	31252	-	£5,264.70	17.7
Sleaford	4601	2300.5	296	32180	-	£7,041.65	14.0
Louth	2265	1132.5	525	34174	-	£3,498.29	30.2
East Elloe	2563	1281.5	411	37044	34544	£5,394.64	27.0
Market Rasen	2465	1232.5	394	38725	-	£4,388.90	31.4
Stamford	2650	1325.0	200	39507	29507	£3,503.74	22.3
Cliff Villages	3241	1620.5	208	39745	-	£5,500.80	24.5
Horncastle	1653	826.5	261	39906	-	£4,663.70	48.3

The table indicates the number of persons using Dial-a-Ride services throughout Lincolnshire for the period April '05 to March '06, it also details the number of persons using the service who are confined to a wheelchair.

The original figures submitted have since been revised to take into account a number of considerations that have now emerged. The figure showing the number of passengers using the service has been halved to show the number of return journeys made, as previously it did not take into account return journeys and thus was double counting passengers. Also the figures for Bourne and Stamford's mileage has now been changed to take into account the distance each bus must travel 'to' and 'from' their respective depots to their service areas. For the Bourne

service, this is the distance from the TransLinc depot in Spalding to Bourne, and for the Stamford service, it is the distance between the TransLinc depot in Grantham and Stamford. Without this amendment, the mileages for the services would look grossly inflated and would suggest a much higher average distance travelled per passenger than was actually occurring.

The results show South Kesteven's Dial-a-Ride services have been extremely popular, with a total of 5,356 return trips being made (10,712 journeys in total) by the service during the period April '05 to March '06, and with Grantham's bus topping the table as the most used service.

However, looking at the figures it is evident there are major deviations between services. The Grantham and Bourne services both have a low mileage, low average miles travelled per passenger and a relatively high fare revenue. Whereas the Stamford service has a higher mileage, high average miles travelled per passenger and relatively low fare revenue.

After researching the issue, it is our opinion that the difference in figures for the Stamford service and the other SKDC services are created by the geographic location of Stamford in relation to the District and the service not offering a route into Peterborough.

A study conducted by the Dial-a-Ride Manager shows the 'staple journey' provided by Dial-a-Ride is the weekly shop. By 'staple', we mean most frequent and most profitable. The weekly shop provides this due to its regularity and the numbers of people wanting to make similar journeys on the same day. The more persons occupying a bus on any given journey, the better the economies of scale realised.

It is widely believed that most people (and especially those who fall into the category of elderly, disabled and/or vulnerable) do not want to travel a great distance to purchase their household goods, say a maximum of 10km. For Grantham and Bourne, this works out well as they lie in the middle of the District that is entirely covered by Dial-a-Ride. Stamford however, sits on the southwestern tip of the district very close to the border with Rutland, East Northamptonshire and Peterborough. If we draw a 10km radius around Stamford (please see diagram attached) we can see that more than 50% of the area falls outside of the District and therefore outside Lincolnshire, which is not covered by the Dial-a-Ride service.

The Lincolnshire Dial-a-Ride service can still transport persons from Stamford and the surrounding area to anywhere in the county, but because of it's the location the target audience for Stamford Dial-a-Ride's 'staple journey' or the weekly shopping trip is greatly reduced. A further issue regarding the service's 'staple journey' is Stamford's close proximity to Peterborough. With Stamford being so close to such a major conurbation, many residents prefer to shop in the city because of the additional choice available, this however excludes them from using the Dial-a-Ride service and therefore has had a negative effect on its demand.

We therefore can argue that the Stamford Dial-a-Ride service has fewer people requesting it due to its inability to convey passengers into Peterborough and because of its geographic location. In addition, those who do request the service will generally wish to travel a lot further than if they were simply doing their weekly shop. These journey's tend to be more specific to an individual (i.e. visiting a friend or attending an appointment), and therefore when they do take place will largely be under capacity and costly, with many spare seats. It has also come to our attention that due to the lower levels of demand on the Stamford service, the bus is often used to support the Bourne and Grantham services, covering their more specialised journeys leaving the Grantham and Bourne buses to concentrate on the 'staple shopping runs'. This could in part be an explanation as to why the Bourne and Grantham's service looks so healthy.

In addition to these findings it has been observed that some of the figures showing 'Fare Revenues' do not always reflect the findings of other figures shown, for instance services carrying similar numbers of passengers over similar mileage distance are not always realising similar fare revenues. This could be caused by the sliding scale on which charges for Dial-a-Ride operates. (please see table below) If two services have the same number of passengers travelling on them over a given period but very different fare revenues it could indicate that passengers on one of the services tend to travel further than those on the other, at a greater charge, thus generating more revenue. This fact should then be validated by the individual services mileage figures, with one service having a larger figure than the other.

Dial-a-Ride Charges Breakdown				
Miles travelled	Single Journey	Revenue per Mile	Return Journey	Revenue per Mile
2	£1.40	£0.70	£2.20	0.55
3	£1.80	£0.60	£2.70	0.45
4	£2.20	£0.55	£3.30	0.41
5	£2.60	£0.52	£3.90	0.39
6	£3.00	£0.50	£4.50	0.38
7	£3.40	£0.49	£5.10	0.36
8	£3.80	£0.48	£5.70	0.36
9	£4.20	£0.47	£6.30	0.35
10	£4.60	£0.46	£6.90	0.35
11	£4.90	£0.45	£7.50	0.34
12	£5.20	£0.43	£8.10	0.34
13	£5.50	£0.42	£8.70	0.33
14	£5.80	£0.41	£9.30	0.33
15	£6.10	£0.41	£9.90	0.33
16	£6.40	£0.40	£10.50	0.33
17	£6.70	£0.39	£11.10	0.33
18	£7.00	£0.39	£11.70	0.33
19	£7.30	£0.38	£12.30	0.32
20	£7.60	£0.38	£12.90	0.32

NB. Additional mileage above 10 miles is charged at £0.30/Mile.

For clarification on this matter, a request was made on 1st November 2006 to TransLinc, the company who operate the Dial-a-Ride service on the partnership's behalf, to investigate the matter further and to produce a more detailed breakdown of fare revenues in order to identify how these figures were arrived at.

Partnership Developments

All South Kesteven vehicles' operational mileages have been extended from 15,000 to 25,000 along with other districts, in order to minimise additional mileage reconciliations at the end of each year.

Further to reporting the Dial-a-Ride partnerships success for the period April '05 to March '06, the partnership manager has requested that partners re-confirm their intention to support the initiative up until 31st March 2008, as previously agreed when the partnership was established. The current partnership agreement allows any member to withdraw support for the Dial-a-Ride services on 31st March of any year providing six months notice has been given.

Financial Implications

The total cost of providing the service throughout South Kestven is £90,900 plus £5,466 of additional mileage claims reconciled in May '05. South Kesteven's contribution to these running costs is £45,450 plus £2,733 of additional mileage claims, exactly half of the overall cost. Lincolnshire County Council covers the remaining half of the cost for providing the Dial-a-Ride service.

The District council currently has £26,940 left in its budget for the delivery of this service, with an allocation of £32,000 in next year's budget. The cost of the service in the next budgetary period is estimated at £48,000 plus additional mileage claims to be reconciled in May '08.

South Kesteven's Current Budgetary Position:

Period	Budget Remaining	Anticipated Cost	Budget Deficit
2005/2006	£26,940	£48,183	-£21,243
2006/2007	£32,000	£52,000	-£20,000

Reasons

In the past, the Lincolnshire Dial-a-Ride scheme was part funded by The Countryside Agency, with SKDC's contribution being £32,000 per annum. With funding from The Countryside Agency withdrawn, it was decided, that the Dial-a-Ride scheme should continue at an adjusted cost to partners as stipulated in the initial bid for funding's exit strategy. Costings were calculated by the partnership, taking into account the loss of CA funding and a new sum of £45,450 per annum was agreed for SKDC. Additional excess mileage claims are reconciled in May of each year, the amount payable for this year is £2,733.

In previous years, Dial-a-Ride's budgetary responsibility fell to Property Services under a transport heading. In 2005 it was transferred to Economic Development to overcome Priority problems with access to services, and with rural concerns also being a consideration. During the handover from Property Services, funding changes to the scheme were overlooked and resulted with the Dial-a-Ride Scheme being under budgeted for periods 05/06 and 06/07.

Conclusions / Recommendations

The Resource DSP is requested to approve payment in full of Dial-a-Ride services for the period 06/07 and to revise the budget allocation for 07/08 to account for the new cost structure.

In addition, it is recommended that a request be made to the Dial-a-Ride partnership to investigate fare revenue figures and to revisit the way Dial-a-Ride services are provided throughout South Kesteven, with particular emphasis put on Stamford. The Resource DSP are encouraged to ask the Partnership to research the potential of implementing an allocated 'Shopping Day' for services to encourage better use of bus capacity. Also to investigate the possibility of offering out of county journeys on a particular day each month, and to look into storing the Stamford bus closer to Stamford in order to minimise excess mileages.

S151 Comments

Members will be aware that funding of rural routes was designated a category z service and an anticipated annual saving of £36,000 was predicted. However whilst funding was been withdrawn from the Welland Rural Transport Partnership budget provision has continued to be allocated to both Dial-a-Ride and the Lincs Rural Transport Partnership for 2006/07, 2007/08 for the following amounts:

Dial-a-Ride	£32,000
Welland Rural	£2,500

There are two issues that require consideration. The first is that there is insufficient budget in the current financial year and next year to meet the costs the Council is incurring with respect to Dial-a-Ride which is now forecast to incur an overspend of £20,000. The second point is that, as the service is not contributing to the z savings of the Authority then there will be a shortfall in the anticipated total savings that were identified for re-investment into priority services. Consideration should be given to either withdrawing our support from these schemes at the earliest opportunity or, alternatively, re-categorising the service from the current z service.

Monitoring Officer Comments

If the partnership agreement requires 6 months notice to terminate on the 31st March in any year, it is not an option to terminate for this current financial year or the following year as 5 months only remain up to the 31st March 2007. To terminate the agreement in March 2008, notice should be given as soon as possible to satisfy the 6 month notice period required.

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Appendix 1

Dial-a-Ride service centres and target areas for 'Staple Shopping Journey'.

