

ENVIRONMENT AND HIGHWAYS CABINET BOARD

JOINT REPORT OF THE DIRECTOR OF ENVIRONMENT – G. NUTT AND THE DIRECTOR OF FINANCE AND CORPORATE SERVICES – H. JENKINS

12TH MARCH 2015

SECTION A – MATTER FOR DECISION

WARD(S) AFFECTED – ALL

NEATH PORT TALBOT COMMUNITY TRANSPORT – WITHDRAWAL OF FUNDING

Purpose of Report

To seek Members approval to withdraw funding to Neath Port Talbot Community Transport (NPTCT).

Background

Current Position

This report sets out a series of issues brought to the Council's attention through whistle blowers within NPTCT organisation.

NPTCT is a third sector transport organisation which provides transport for eligible elderly, disabled and socially/geographically isolated residents within the predominantly urban areas of Neath and Port Talbot.

NPTCT is located in rented premises at Milland Road, Neath, and has a mix of volunteer drivers, paid drivers and office staff. The organisation has a fleet of accessible vehicles available for community use by eligible local residents. The scheme also operates a town rider service in Neath and Port Talbot.

The organisation has a volunteer Board which comprises of a cross section of people from the local community.

In July 2013 Officers were contacted by members of NPTCT staff, who expressed concerns regarding the governance arrangements of the NPTCT organisation.

These concerns were brought to the attention of NPTCT and its Officers, and former chair who gave assurances that any anomalies would be dealt with in house.

In July 2014, Council Officers were again contacted by staff of NPTCT in relation to outstanding issues.

As a result of the meeting an Audit investigation by the Council's Internal Audit team was instigated.

Audit Reports

There followed an audit review of the systems and procedures in place at NPTCT. The review highlighted poor financial management and a lack of internal controls. It is the Auditor's opinion that the organisation suffered losses as a result of these control weaknesses.

NPTCT's independent Auditors in reviewing the organisation's financial statements came to the conclusion for the period 2013/14, that they had insufficient evidence to provide an audit opinion on the organisation's financial statements.

Equality Impact Assessment

An Equality Impact Assessment has been undertaken to assist the Council in discharging its Public Sector Equality Duty under the Equality Act 2010 (Appendix A).

Withdrawing the Council's funding to NPTCT may mean it will not be possible for the organisation to deliver the service at the level they currently provide. If this proves to be the case, identified groups of people with protected characteristics will be negatively affected. The groups most adversely affected will be the elderly and disabled, who utilise the Town Rider and car scheme, which NPTCT may decide to stop operating.

Unfortunately, in these circumstances, the impacts are outweighed by the need to protect the public purse.

If the scheme is maintained, it would still be entitled to claim Concessionary Fares Reimbursement and the Live Kilometre Support Grant for their Town Rider service.

Financial Implications

Neath Port Talbot CBC support NPTCT via a revenue grant of £34,692 and £11,200 from the Welsh Government Bus Services Support Grant. This is only a part of their funding, the majority arises from other activities.

Recommendations

It is recommended, having due regard to the Full Equality Impact Assessment that:-

In the interest of protecting the public purse and owing to the findings of NPTCBC's Internal Audit Report into NPTCT and the independent Auditor's lack of audit opinion for the year ending 31st March 2014, that Council withdraws its financial support to NPTCT from 1st April 2015.

Reason for Proposed Decision

The Treasurer and Manager who were in charge prior to the Audit investigation have now left NPTCT. The interim Manager has endeavoured to make progress, however, NPTCBC still has serious concerns over the financial management and governance of the organisation. This leaves Neath Port Talbot CBC in a position where a difficult decision needs to be made to withdraw the funding from NPTCT.

The Council is required by its financial procedure rules to ensure that the income and expenditure of an external body to which it provides public money, is operating in a way that is compliant with its fiduciary duty, i.e. the proper spending of public money for the purpose it was given.

NPTCT failed to maintain a set of auditable accounts which would demonstrate compliance.

List of Background Papers

Correspondence and background paperwork is on file with the Integrated Transport Unit, NPTCBC.

List of Appendices

Appendix A

Wards Affected

All

Officer Contact

Mr P. Jackson – Integrated Transport Unit Manager

Tel No. 01639 686091

E-mail: p.jackson@npt.gov.uk

COMPLIANCE STATEMENT

NEATH PORT TALBOT COMMUNITY TRANSPORT – WITHDRAWAL OF FUNDING

Implementation of Decision

The decision is proposed for implementation after the 3-day call-in period.

Sustainability Appraisal

Community Plan Impacts

Economic Prosperity	- negative
Education & Lifelong Learning	- no impact
Better Health and Well Being	- negative
<i>Environment & Transport</i>	- negative
Crime & Disorder	- no impact

Other Impacts

Welsh Language	- no impact
Sustainable Development	- no impact
Equalities	- negative
Social Inclusion	- negative

Consultation

There has been no requirement under the Constitution for external consultation on this item.

Appendix A

Equality Impact Assessment (EIA) Report Form

This form should be completed for each Equality Impact Assessment on a new or existing function, a reduction or closure of service, any policy, procedure, strategy, plan or project which has been screened and found relevant to Equality and Diversity.

Please refer to the 'Equality Impact Assessment Guidance' while completing this form. If you would like further guidance please contact the Corporate Strategy Team or your directorate Heads of Service Equality Champion.

Where do you work?
Service Area: Integrated Transport Unit
Directorate: Environment

(a) This EIA is being completed for a...

Service/ Function	Policy/ Procedure	Project	Strategy	Plan	Proposal
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

(b) Please name and describe below...

To withdraw of funding to Neath Port Talbot Community Transport (NPTCT)

(c) It was initially screened for relevance to Equality and Diversity on ...5.02.15

On how the removal of funding will impact of the users of the service NPTCT provide.

(d) It was found to be relevant to...

Age	<input checked="" type="checkbox"/>	Race.....	<input type="checkbox"/>
Disability	<input checked="" type="checkbox"/>	Religion or belief	<input type="checkbox"/>
Gender reassignment	<input type="checkbox"/>	Sex.....	<input checked="" type="checkbox"/>
Marriage & civil partnership	<input type="checkbox"/>	Sexual orientation	<input type="checkbox"/>
Pregnancy and maternity.....	<input type="checkbox"/>	Welsh language	<input type="checkbox"/>

(e) Lead Officer

Name: Peter Jackson

Job title: ITU Manager

Date: 6.2.2015

(f) Approved by Head of Service

Name: D.W. Griffiths

Date: 6.2.2015

Section 1 – Aims (See guidance):

Briefly describe the aims of the function, service, policy, procedure, strategy, plan, proposal or project:

What are the aims?

It is proposed to remove the Council's funding to NPTCT. This proposal is being made as a result of concerns regarding governance and financial irregularities which resulted in an internal audit investigation. The subsequent report confirmed the concerns and as a result of the issues raised, the Council has lost confidence in the ability of NPTCT to manage their affairs and provide a reliable and cost effective service.

Who has responsibility?

The Council has a duty to protect the public purse and it will be the responsibility of the Council to ensure that it has acted in the public interest. The Corporate Directors will take this proposal forward and the Head of Engineering and transport with the assistance of the Integrated Transport Unit Manager will implement the proposal.

Who are the stakeholders?

NPTCT employees, volunteers and the users of the service they provide.

NPTCT has eight paid employees and a pool of volunteers who act as drivers and passenger assistants.

Section 2 - Information about Service Users (See guidance):

Please tick what information you know about your service users and provide details / evidence of how this information is collected.

Age	<input checked="" type="checkbox"/>	Race.....	<input type="checkbox"/>
Disability	<input checked="" type="checkbox"/>	Religion or belief	<input type="checkbox"/>
Gender reassignment	<input type="checkbox"/>	Sex.....	<input checked="" type="checkbox"/>
Marriage & civil partnership	<input type="checkbox"/>	Sexual orientation	<input type="checkbox"/>
Pregnancy and maternity.....	<input type="checkbox"/>	Welsh language	<input type="checkbox"/>

What information do you know about your service users and how is this information collected?

The users of the service provided by NPTCT are elderly and or people with a disability who may have difficulty in accessing mainstream transport.

Census data from 2011 indicates that in Neath Port Talbot

- 25.3% of the population are over the age of 60
- 16.1% of the population are 'limited a lot' in their day to day activities.

NPTCT serves the urban areas of the County Borough. It should be noted that only a small proportion of the population living in urban areas access the services of NPTCT.

As core funders of the organisation Neath Port Talbot County Borough Council requires NPTCT to submit quarterly returns to secure their funding. The return provides information of the patronage of the service and how the service is accessed. This could be via the Town Rider scheme, group hire or the car scheme. No specific information is submitted regarding the users of the services.

Any Actions Required?

Section 3 - Impact on Protected Characteristics (See guidance):

Please consider the possible impact on the different protected characteristics. This could be based on service user information, data, consultation and research or professional experience (e.g. comments and complaints).

	Positive	Negative	Neutral	Needs further investigation
Age	➔ <input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Disability	➔ <input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Gender reassignment	➔ <input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Marriage & civil partnership	➔ <input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Pregnancy and maternity	➔ <input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Race	➔ <input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Religion or belief	➔ <input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Sex	➔ <input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Sexual orientation	➔ <input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Welsh language	➔ <input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Thinking about your answers above, please explain in detail why this is the case? including details of any consultation (and/or other information), which has been undertaken to support your view?

NPTCT provides transport for the elderly and disabled people who may not have access to mainstream public transport in urban areas of NPT. This is provided by a demand responsive Town Rider service which can be pre booked by members of the scheme.

The organisation also has vehicles and staff (cars and minibuses) available for groups of eligible residents to hire for trips and outings.

NPTCT also undertakes work for the Local Health Board by providing non-emergency patient transport to local hospitals.

The cut in funding is unlikely to affect the non-emergency patient transport provision that NPTCT provides. It is also unlikely to affect the group hire provided to eligible residents will be adversely affected.

Withdrawing the Council's funding to NPTCT may mean it will not be possible for them to deliver the service at the level they currently provide. If this proves to be the case, identified groups of people with protected characteristics may be negatively affected. The groups most adversely affected will be the elderly and disabled, who utilise the Town Rider and car scheme.

What consultation and engagement has been undertaken (e.g. with the public and/or members of protected groups) to support your view?

The Council has been in contact with NPTCT regarding withdrawal of funding and NPTCT have indicated it may not be possible for them to provide transport at the current level.

Any actions required (to mitigate adverse impact or to address identified gaps in knowledge)

If NPTCT reduce their services, the Council will monitor any comments or complaints received from users of the service.

Section 4 - Other Impacts:

Please consider how the initiative might address the following issues.

You could base this on service user information, data, consultation and research or professional experience (e.g. comments and complaints).

Foster good relations between different groups	Advance equality of opportunity between different groups
Elimination of discrimination, harassment and victimisation	Reduction of social exclusion and poverty

(Please see guidance for definitions)

Please explain any possible impact on each of the above.

The withdrawal of funding to NPTCT will not be a positive experience for the organisation or for the people they transport should they reduce the level of service they provide. It is unlikely to foster good relations with those affected. For some it may result in social exclusion, making it more difficult to access services such as the G.P, dentist or shops.

What work have you already done to improve any of the above?

It has been indicated by NPTCT that it would be difficult at this point in time to predict the impact on the services they provide.

Is the initiative likely to impact on Community Cohesion?

If NPTCT reduce the services they provide, it will directly impact on community cohesion.

How will the initiative treat the Welsh language in the same way as the English language?

The removal of the funding will not discriminate disproportionately on the Welsh Language

Actions (to mitigate adverse impact or to address identified gaps in knowledge).

The Council will guide service users to the Traveline Cymru website to direct users to other transport options.

Section 5 - Monitoring arrangements:

Please explain the arrangements in place (or those which will be put in place) to monitor this function, service, policy, procedure, strategy, plan or project:

Monitoring arrangements: The two NPTCT town rider schemes allow users to utilise concessionary smartcards. The combined services average 1,081 passenger journeys per month.

Information regarding patronage by smartcard users on other Community Transport and mainstream public transport services can be obtained. This will indicate where there has been an uptake on other means of transport if the town rider schemes reduce or cease.

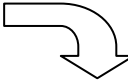
Actions: Officers will monitor the services provided by NPTCT.

The impact of the withdrawal of funding may not become fully apparent for some months. This is because some users of NPTCT's services travel on an infrequent basis.

As outlined above, smartcard information will be sought to establish a shift in users to other bus operators. The users of concessionary smartcards are those who are over the age of 60 and/or who have sensory or mobility impairments.

Section 6 – Outcomes:

Having completed sections 1-5, please indicate which of the outcomes listed below applies to your initiative (refer to guidance for further information on this section).

- Outcome 1: Continue the initiative...
- Outcome 2: Adjust the initiative...
- Outcome 3: Justify the initiative... 
- Outcome 4: Stop and remove the initiative...

For outcome 3, detail the justification for proceeding here

Section 7 - Publication arrangements:

On completion, please contact the Corporate Strategy Team for advice on the legal requirement to publish the findings of EIAs.

Action Plan:

Objective - What are we going to do and why?	Who will be responsible for seeing it is done?	When will it be done by?	Outcome - How will we know we have achieved our objective?	Progress
Withdraw funding to Neath Port Talbot Community Transport	Officers of Neath Port Talbot County Borough Council	1 st April 2015	Payment withdrawn	This will be completed by the 31 st March 2015
Comments & Complaints	Officers of Neath Port Talbot County Borough Council	Quarterly review	Will provide monitoring info	31.3.16
Traveline Cymru	Officers of Neath Port Talbot County Borough Council	Ongoing	Will provide monitoring info	Ongoing
NPTCT service changes	Officers of Neath Port Talbot County Borough Council	Quarterly Review	Will provide monitoring info	31.3.16
Smartcard update	Officers of Neath Port Talbot County Borough Council	Six Monthly	Will provide monitoring info	31.3.16

* Please remember to be 'SMART' when completing your action plan.