



Cyngor Castell-nedd Port Talbot
Neath Port Talbot Council

NEATH PORT TALBOT COUNTY BOROUGH COUNCIL

Streetscene & Engineering Cabinet Board

Report of the Head of Engineering & Transport

David W. Griffiths

Matter for Decision

Wards Affected: All

Covid19-Bus Industry Support.

Purpose of the Report:

To obtain Members' approval to delegate authority to the Director of Environment and Transport officers to enter into Covid19-Bus Industry Support agreements with Passenger Transport Operators.

Executive Summary:

The Coronavirus pandemic has created uncertainty across all industries and sectors and the bus industry are no exception, many of whom are SME's or charities that are facing significant and unprecedented challenges in the provision of transport services. The Welsh Government Minister for Economy, Transport and North Wales has subsequently provided guidance and instructions to All Local Transport Authorities in Wales in terms of immediate support to maintain their viability in the short term, while longer term measures are developed.

Background:

The COVID-19 Pandemic, has resulted in significant restrictions on personal movement resulting in unprecedented impacts on contracted local bus service, home to school transport contracts, social care and other passenger transport providers.

The Council have received guidance from the Welsh Government Minister for Economy, Transport and North Wales, set out at Appendix A by way of letter dated April 2020 urging Local Authorities to maintain payments to transport providers.

Members are advised therefore that officers propose that NPTCBC continue to make contracted payments in the form of a retainer subject to the Operator's agreement to a letter of indemnity set out at Appendix B. It should be noted that this agreement does not apply to those contracts which continue on a reduced mileage basis, in which case payment will be made in full in accordance with the agreed rate.

From 1 April 2020, Neath Port Talbot County Council ('the Council') will make a payment of 75% of the daily rate of its local bus service, home to school, social care and other passenger transport contracts for up to three months, until these restrictions are lifted and normal patterns of travel return ('Retained Operator Payment'). Should these restrictions remain in place and operations remain limited or suspended for a longer period, the payment mechanism will be reviewed and operators informed. In order to receive the Retained Operator Payment the operator must sign and return the Retained Operator Payment Agreement.

On signing the Retained Operator Payment Agreement, the Operator agrees to:

- Maintain all staff and vehicle levels for all local bus service, home to school, social care and other passenger transport contracts.
- Continue to pay staff the wages in conjunction with the operation of these contracts.
- Release contracted resources (appropriately licensed vehicles and DBS cleared staff) to provide re-purposed transport on request of the Council. Payment for re-purposed transport will be made at 100% of the existing daily contract rate and not in addition to any Retained Operator Payment.
- Any additional costs incurred by the Operator in providing re-purposed transport will be paid in conjunction with the Variation of Contract clause within the Council's Conditions of Contract for the Provision of Passenger Transport Services or the operator will enter into a new contract for the re-purposed transport.

- Adhere to the Council's Conditions of Contract for the Provision of Passenger Transport Services.
- Provide copies of employee wage slips, National Insurance Numbers, Tax Identification Numbers or evidence of PAYE to the Council within 72 hours of request.
- Immediately declare to the Council any Indemnity Insurance received for loss of earnings in relation to local bus service, home to school contracted services, social care and other passenger transport contracts and return any Retained Operator Payments received.
- Disclose to the Council full details of payments made to operators as a result of Covid-19.
- Inform the Council immediately where any change in their circumstances has occurred or is likely to occur. These include (but are not limited to):
 - Any petition is presented or resolution passed or other action taken for an operator's bankruptcy or winding-up or a petition is presented for an administration order against an operator;
 - A receiver or an administrative receiver is appointed in respect of an operator or in respect of all or any part of an operator's assets;
 - A moratorium in respect of all or any of an operator's debts or a composition or an agreement with an operator's creditors is agreed, applied for, ordered or declared;
 - Operators are unable, or admit in writing their inability, to pay their debts as they fall due;
 - Any distress, execution, attachment or other process affects any of an operator's assets;
 - A statutory demand is issued against an operator;
 - An operator ceases, or threatens to cease, to carry on all or a substantial part of their business;

- Vehicles are decommissioned for any reason and are no longer at the disposal of the operator.

Should the Operator default on any of the above terms the Council reserves the right to:

- Withhold any Retained Operator Payment.
- Recover any monies paid under the Retained Operator Payment Agreement.
- Recover from the Operator any additional costs incurred by the Council for a period not exceeding six months, or until the expiry or termination of the Contract if earlier, for providing the contracted service if the Operator fails to perform the Contract on resumption of the schools reopening and restrictions being lifted.

The Council reserves the right to recover any monies paid under the Retained Operator Payment Agreement, where payments have been made to the Operator as a result of Covid – 19 from another party that duplicates the purpose of the Retained Operator Payment.

The Council will inform operators of any further announcements relating to contractual payments and Retained Operator Payments will be reviewed with any over or under payment reconciled in-line with the Welsh Government announcements.

The Council is committed to complying with data protection law and any personal information collected under the terms of Retained Operator Payment Agreement will be kept safe and secure, and only be used for the purposes of its management.

Financial Impacts:

Home to school and social services transport are already budgeted for by the Council and continuing to pay routes that are not running at 75% will reduce overall spend.

Concessionary fares reimbursement is funded by Welsh Government along with a contribution from the Council. Local bus support is wholly funded by Welsh Government BSSG (Bus Services Support Grant). Welsh Government are releasing funding based on historical payments made to each Local

Authority. Financial spend will therefore be similar to last year and budgeted for.

Integrated Impact Assessment:

A first stage Impact Assessment has been undertaken to assist the Council in discharging its legislative duties (under the Equality Act 2010, the Welsh Language Standards (No.1) Regulations 2015, the Well-being of Future Generations (Wales) Act 2015 and the Environment (Wales) Act 2016.

The first stage assessment, attached at Appendix C, has indicated that a more in-depth assessment is not required.

Valleys Communities Impacts:

No impacts.

Workforce Impacts:

No impacts.

Legal Impacts:

The Council has a statutory obligation to provide home to school transport under The Learner Travel (Wales) Measure 2008. Also under Section 145 of The Transport Act 2000 it is mandatory that concessionary travel schemes be provided by the bus operators and section 149 of the act requires travel concession authorities (such as County Councils) to reimburse operators for providing concessions.

Risk Management Impacts:

No impacts.

Consultation:

The proposal is in response to Covid19 emergency measures to support the Bus Industry in Wales by Welsh Government to maintain Transport Services in consultation with the Welsh Local Government Association, Local Authorities, and The Association of Transport Coordinating Officers.

Recommendations:

That the Director of Environment and Regeneration, The Head of Engineering and Transport, The Integrated Transport Manager and Passenger Transport Manager, in consultation with the Leader and relevant Cabinet Member, be delegated authority to enter into Covid 19 Indemnity Agreements with Passenger Transport Operators in accordance with the guidance provided by Welsh Ministers, the Welsh Government Covid19-Bus Industry Support April 2020.

Reasons for Proposed Decision:

The proposal will help maintain transport services in the short term and ensure that there are services at the end of the Covid19 public health crisis.

Implementation of Decision:

The decision is proposed for immediate implementation.

Appendices:

Appendix A Covid19-Bus Industry Support Letter April 2020.

Appendix B NPTCBC Indemnity Letter to Operators.

Appendix C – First Stage IIA.

List of Background Papers:

None.

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