

Agenda Item	25
Report No	EDI 60/19

HIGHLAND COUNCIL

Committee: Environment, Development and Infrastructure

Date: 15 August 2019

Report Title: Community Transport: Grant Funding and Change Programme

Report By: Chief Officer Resources (Community Services)

1. Purpose/Executive Summary

1.1. This report outlines current Community Transport funding arrangements and asks Members to approve the proposed grant application process for groups to secure Community Transport funding from April 2020. The report also outlines the increased role that is envisioned for Community Transport as part of the Change Programme.

2. Recommendations

2.1. Members are asked to:

- i. note that current Community Transport Grants run to March 2020 and are currently awarded as set out in **Appendix 1**;
- ii. approve the process for reviewing grant awards including the eligibility and award criteria as outlined in **Appendix 2**;
- iii. note that a further report is intended for the Environment, Development and Infrastructure (EDI) Committee in November 2019 on the progress made and grant awards recommended; and
- iv. note that further work is taking place to strengthen the capacity of the Community Transport sector and to develop alternatives to high-cost contracts. This is supported by a Change Project and separate funding streams. It has savings targets to meet and community transport initiatives can be supportive. The project includes developing new initiatives and a home to school pilot is planned for Poolewe this year.

3. Implications

3.1. Resource

The recommended process for awards of grant will be accommodated within the budget. The budget in 2019/20 is £359,000 and there are no further reductions currently planned for this budget at this time. There is scope for community transport to provide home to school transport in the future as an alternative to high-cost contracts. This is being supported by the Transport Change Project. That project has budget

savings identified this year and in future years for public transport contracts and home to school contracts.

3.2. Legal

Although there is no specific legal requirement to support community transport, the Highland Outcome Improvement Plan (HOIP) is required by the Community Empowerment (Scotland) Act 2015 as the partnership plan to reduce inequality. The HOIP includes commitments to improving infrastructure and to support community transport. When grant awards are made to community bodies, they will be asked to confirm acceptance of grants and the associated conditions.

3.3. Community (Equality, Poverty and Rural)

Continued funding of community transport supports the Council's equality, poverty and rural objectives by enabling transport provision for people who have limited or no access to other transport.

3.4. Climate Change / Carbon Clever

There are no significant climate change / Carbon Clever implications arising directly from this report; although it is anticipated that projects carried out by Community Transport groups that we support will feature 'green' initiatives.

3.5. Risk

Communications and promotion of the new scheme will reduce the risk of a low return from community transport groups. There is a risk there will be insufficient funding to meet all grant applications, but clear evaluation criteria can help prioritise the applications that bring the greatest benefits.

3.6. Gaelic

There are no implications arising directly from this report.

4. Highland Outcome Improvement Plan (HOIP) and Council Programme

4.1 [The Highland Outcome Improvement Plan](#) (HOIP) is the plan developed by the Community Planning Partnership to reduce inequalities in Highland. It is a legal requirement under the Community Empowerment (Scotland) Act 2015. The HOIP identifies improved infrastructure as an important strand of partnership activity. It has set an outcome that 'fewer people in Highland experience transport or digital connectivity as a barrier to accessing opportunities' to achieve by 2027. One of the priorities is for community transport investment and support.

4.2 Specifically, in the HOIP it states:

"Community Transport provides an essential service to many people in our communities, operating at times as a spine for other services to branch from. There is not universal access to community transport and at times it is restrained by funding rules or sustainability problems. There are opportunities to review the current investment and support structures around community transport in Highland."

4.3 The Council Programme also recognises the importance of community transport in the Highlands. It includes a priority of trialling Community Transport schemes to ensure that fewer people experience transport as a barrier to accessing services, employment or leisure activities. Community Transport, along with mainstream public transport, also contributes to Council Programme objectives of sustaining rural population and helping older people to live independently.

- 4.4 The Corporate Plan includes improving school transport and reducing the costs of it. Further development of Community Transport is one of the means of achieving this, where circumstances are suitable.

5. Community Transport Grants: Current Arrangements

- 5.1. At their meeting on 4 February 2016 the Community Services Committee agreed funding for 24 Community Transport groups for the financial years 2016/19. The Committee agreed funding for a 25th group on 18 August 2016, for the financial years 2017/19. Funding agreed by Committee also includes small provisions for volunteer training, assistance with emergency repairs to vehicles and development of new or growing projects. The EDI Committee agreed on 8 November 2018 to continue these arrangements for a further year, with some adjustments to individual amounts within the same overall budget.
- 5.2. 21 Community Transport groups are currently supported with grant funding; their work is monitored through the requisite quarterly claim forms and progress reports which are necessary for continued grant payments. They are listed along with their current award in **Appendix 1**.

6. Role of Community Transport

- 6.1. The current Community Transport grant recipients fulfil valuable roles throughout the Highland Council area; all projects have their individual characteristics to suit the unique circumstances and opportunities which exist in a particular area. The Highland Council's grant funding enables and facilitates the provision of projects that address the essential transport needs of people who have limited mobility, which may be for various reasons such as isolation, disability, poverty or unavailability of other forms of transport. Community Transport groups engage effectively with their communities and focus the energy and enthusiasm of volunteers into good work that nurtures community engagement and provides social benefit. The existence of Community Transport initiatives within Highland fosters communities' direct involvement in solutions which most closely address and meet their transport needs, with the added benefit of empowering individuals and the broader community.
- 6.2. The Transport Co-ordination Unit is supporting the sector in broadening its role, and this is described in section 9 below.

7. Review of grant criteria

- 7.1. The Transport Co-Ordination Unit arranged a gathering of Community Transport groups on 7 May 2019 to discuss the upcoming grant application process, both to provide information and seek input. Feedback highlighted concerns regarding the length of the application form, requests for inclusion of capital funding in what can be covered by the grants (most particularly contribution towards vehicle purchase), inclusion of Section 22 routes within grant funding eligible expenditure, and automation of financial calculations within the form.
- 7.2. In a change from previous grant application invitations, it is proposed that funding of Section 22 community bus routes should be considered. However, capital funding will continue to be excluded.
- 7.3. The grants will be awarded for a three-year period, from 1 April 2020 to 31 March 2023.

7.4. It is proposed that the evaluation of grant applications will involve a three-stage process. The first stage will be pass-fail, dependent upon the group or organisation's status. The second stage will also be pass-fail, dependent upon the project's relation to transport. The third stage will be scored and cover the following principal criteria, with scores assigned to associated sub-criteria:

- Social Benefit: Benefit to the community or specific group(s) within the community – 40%
- Project impact maximisation: clarity of plans and goals, effective engagement with stakeholders – 20%
- Alignment with and support of the Council Programme and Corporate Plan – 15%
- Financial resilience – 15%
- Innovation – 10%

7.5. Full draft eligibility and evaluation criteria proposed can be found at **Appendix 2**.

8. Process for new grant awards

8.1. It is intended that a call for grant funding applications would be announced in late August with a closing date of 20 September 2019.

8.2. The Transport Co-Ordination Unit will actively promote awareness of all stages of the grant process through engagement with current grant recipients, key representative groups, on the Highland Council website and through press releases. The intention is to achieve the broadest possible information saturation to ensure a robust return of applications for consideration. In addition, Transport Co-Ordination Unit staff will be available for questions and clarifications which may arise for applicants in completing their forms.

8.3. The Transport Co-Ordination Unit would evaluate submissions based upon the established evaluation criteria as proposed at **Appendix 2**. Currently the intention is to complete the evaluation by mid-October and report the outcome to the Committee on 7 November 2019 for Members' approval.

9. Increased role for Community Transport

9.1 As part of the Change Programme, work has begun to involve Community Transport organisations in providing home-to-school transport. This is a feasible option where:

- pupil numbers are within the capacity of a minibus or car;
- existing contract costs are high;
- there is a lack of competition; and
- there is a community group with the potential to expand their activities.

9.2 In addition to enabling a cost saving, this approach can provide a benefit to the local community by making a vehicle available for use outwith school journey times. A pilot project of this nature is due to commence in the Poolewe area at the start of the new school year on 20 August 2019, using an 8-seat car provided by the Council, with funding to cover the driver's wage and the running costs for the school transport route. This is funded from the school transport budget.

9.3 Where possible it is intended to provide electric vehicles, along with charging infrastructure, for use in this type of project. At present there are no electrically

powered minibuses available at an economic price, but cars and MPVs are available.

- 9.4 There is future potential for this approach to be extended to replacing some existing public transport contracts, although each case would need to be assessed locally and in relation to passenger numbers and needs, community capacity and compliance with appropriate procedures.
- 9.5 Such projects would be funded through savings made in existing provision, so these would be additional to the grant scheme described earlier in this report. However, credit will be given in assessing grant applications for evidence of partnership working or adaptability to innovations of this nature.

Designation: Interim Chief Officer Resources (Community Services)

Date: 29 July 2019

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Appendix 1

Current Community Transport Grant Award Recipients, 2019/2020

Name of Community Transport Group / Organisation	Grant Award, 2019/2020
Badenoch & Strathspey Community Transport Company	£30,000
Beaully and District Care Project	£1,200
Boleskine Community Care	£1,500
Caithness Rural Transport	£42,000
Care Lochaber	£57,750
Gairloch Community Car Scheme	£34,626
Glenelg and Arnisdale Bus User Group	£5,000
Helmsdale Community Transport	£3,685
Highlife Highland (Sunart Centre Transport Initiative)	£6,000
Lochaber Action on Disability	£3,994
Mey Village Hall	£1,500
Nairn Community Transport	£6,250
North West Bus Community Bus Association	£26,000
Partnerships for Wellbeing	15,000
Ross-shire Voluntary Action	30,500
Scottish Highlands & Islands and Moray Chinese Association	£6,000
Shopmobility Highland	£12,500
Sleat Community Trust	£15,000
South West Ross Community Car Scheme	£25,913
Strathnairn Community Access and Transport Association	£6,430
Transport for Tongue Ltd.	£28,000

Proposed Community Transport Grant Application Process – August 2019

Introduction

The Highland Council is inviting bids for Community Transport grants for the three years from 1 April 2020. This paper describes who can apply, what types of scheme are likely to be successful, and the evaluation criteria that will be used in determining allocation of grant awards.

If you would like to discuss possible projects or have any questions, please contact public.transport@highland.gov.uk or phone 01463 702839.

1. Eligibility Criteria and Pre-application Advice

In applying for a Community Transport grant from The Highland Council, applicants must consider the following:

1. This is a competitive application process: there is no guarantee that an application will be successful.
2. If a grant is awarded, it may be for all, or part, of the amount applied for.
3. Access to a Community Transport grant awarded by the Highland Council can be confirmed only once the intended recipient has secured either:
 - a. 'Company Limited by Guarantee' status or
 - b. 'Scottish Charitable Incorporated Organisation' status

Local Third Sector Interface organisations will be able to offer advice on seeking to become a Scottish Charitable Incorporated Organisation. Contacts can be located from the Highland Third Sector Interface (HTSI) website: <http://www.highlandtsi.org.uk> or by calling HTSI on 01349 864289.

4. Any grant provided by the Highland Council may be considered as State Aid. The Council is responsible for assessing all grants to determine if State Aid is present and where this assessment shows that State Aid may be present an applicant will be informed of what actions they must take and if the grant can still be made. The applicant organisation is responsible for recording and retaining all information on State Aid received. The questions on Pages 16 and 17 of the application form will help the Council undertake their assessment for State Aid.

Where appropriate the Council will seek guidance and advice from the Scottish Government State Aid Team (SAT) when carrying out an assessment. More information on State Aid can be found at: <https://www.gov.scot/publications/state-aid-guidance/>

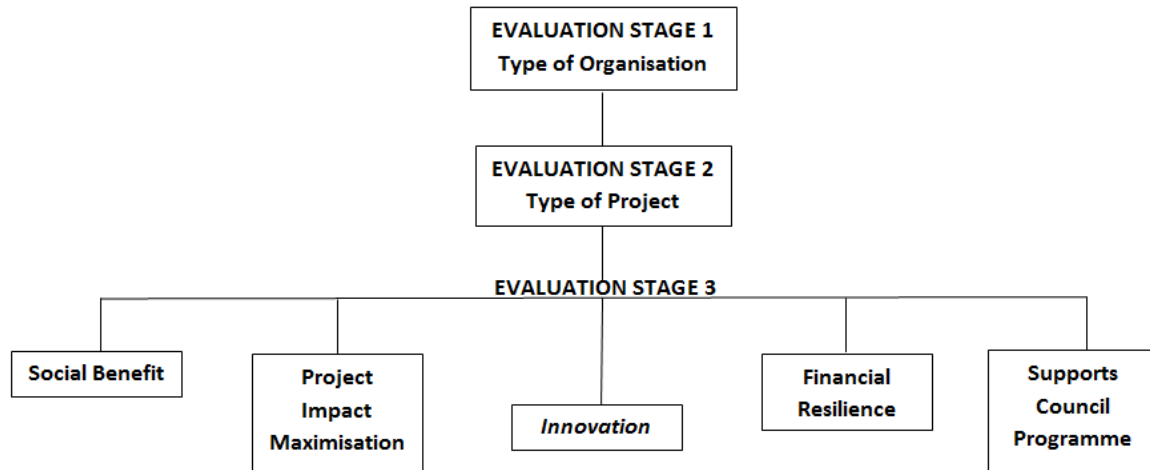
5. The Highland Council **will** consider funding the delivery of Section 22 community bus routes for this round of grant awards. There is no guarantee that this element of an application will be successful, but it will be considered.

6. Should a ticket machine be sought as part of your application, the current charge made by The Highland Council for a machine is £45 per month, which may be increased in future.
7. The Highland Council will **not** fund the total cost of a project.
8. Applying for a Community Transport grant from The Highland Council does **not** preclude an applicant from submitting applications to other funding providers to seek support for carrying out transport activities which do not qualify for Council support.
9. The Highland Council will **not** support groups which have a legal status which includes making a profit.
10. Applications may be for any type of transport provision which is community-based, operated on a voluntary or non-commercial basis and has an aim of providing social benefit to the local community or a section of the community.

In applying for a Community Transport grant from The Highland Council, applicants must include the following information:

1. A proposal which will operate within a defined local geographic community and include a map marking out the operational area along with their application. The Highland Council **may** consider funding of journeys outwith the defined area, though in making an evaluation, will require sufficient information to demonstrate why these journeys are essential to the community served.
2. Details of when the project will operate and how it will manage to continue financially beyond 31st March 2023 (if that is the intention) should the project not secure funding from The Highland Council after 31st March 2023.
3. Demonstrate with evidence that there is a need for their project.
4. Include only a request for revenue funding. Highland Council will **not** consider requests for capital funding for these grants.
5. Provide target outcome projections for the period of possible award.
6. Provide costings and analysis of proposed journeys and services including:
 - a. A breakdown of projected income and expenditure for period of award.
 - b. A breakdown of passenger figures, journey details, income from passenger fares and other funding.
7. Endeavour to present all information relating to the project within the application form – please avoid the use of attachments if at all possible.

2. Evaluation of Applications



Evaluation Stage 1

Evaluation Criteria

Type of Organisation:

- Scottish Charitable Incorporated Organisation
- Company Limited by Guarantee
- Organisation in the process of securing either of the above

At this stage, any application from a group or organisation which has a legal status which includes making a profit or fails to fall into one of the three categories listed above will be excluded.

Applications which satisfy the requirements at this stage will move on to Stages 2 and 3.

Evaluation Stage 2

Evaluation Criteria

Type of Project

At this stage, evaluators will note the nature of the group or organisation's project(s). No score will be assigned at this evaluation stage, but it will be recorded for reference and potentially refinement of Evaluation Stage 3.

Any project which falls within a broad definition of Community Transport and has transport provision as its main focus will move on for further consideration at Stage 3.

Evaluation Stage 3

Evaluation Criteria

The principal and associated criteria which will be applied in evaluating applications will be:

Social Benefit: Benefit to the community or specific group within the community

- a. Demonstrate no or very limited appropriate public transport in proposed project operating area, and/or that any existing transport does not meet the needs being targeted by the project.
- b. Type of support being introduced to the community against proof of need – range of people who will benefit and what community requirements will be served.
- c. Flexibility of operating periods.
- d. Use of accessible vehicles (describing extent of accommodating features).

Project impact maximisation: clarity of plans and goals, effective engagement with stakeholders

- a. A clear plan for how the applicant/project will engage with the target client groups and the broader community.
- b. A clear plan for how the applicant/project will engage with other bodies, agencies and groups to boost impact.
- c. Clear identification of activity, milestone (that is, key progress indicators) and target factors.

Alignment with and support of The Council Programme and Corporate Plan

https://www.highland.gov.uk/info/695/council_information_performance_and_statistics/381/our_priorities

- a. Demonstrating how the project proposal will progress The Highland Council equality aims of promoting a fairer, inclusive Highland.
- b. Demonstrating how the project proposal will attract more people to make the Highlands their home and younger residents to stay here.
- c. Demonstrating how the project proposal will help older citizens to live longer independent lives in their communities.

Financial resilience

- a. Other sources of funding being available to create and sustain the project and activity during the funding period.
- b. The ability to continue financially beyond 31st March 2023 should the project not secure future funding from The Highland Council after this date.
- c. Financial details – both expenditure and income – which demonstrate an understanding of realistic costings and variables.

Innovation

We are seeking applications for projects that demonstrate an innovative spirit: this could fall into one of the defined categories below, or it may be something completely new and unanticipated.

No group/organisation or project will be excluded for failing to demonstrate innovation, but points will be awarded for applications that effectively and convincingly demonstrate innovation and the ability of the organisation to carry this out.

In particular, we will be looking at the following criteria:

- a. Environmentally beneficial features; 'green' initiatives and long-term sustainability
- b. Outreach to disadvantaged groups within the community whose transport needs have not previously been addressed
- c. Creative partnership working arrangements with the Council and/or other organisations

Criteria Weighting

Each application will be assessed by using the following weighting:

Award Evaluation Criteria	Weighting
Social Benefit: benefit to the community or specific group within the community	40%
Project Impact Maximisation: Clarity of plans and goals	20%
Promoting a fairer, more inclusive Highland	15%
Financial Resilience	15%
Innovation	10%

Application scoring

Each application will be scored using the following marking approach:

Classification	Score
Exceptional – meets the criterion exactly as specified	5
Excellent – very strongly meets the criterion, with only minor weaknesses	4
Good – meets the criterion with some weaknesses	3
Fair – meets the criterion in part but with significant weaknesses	2
Poor – mostly fails to meet the criterion	1
Fail – fails to meet the criterion	0