

Creating sustainable
Community Transport
in North Yorkshire

**Community transport
fit for a new century**

Richard Armitage

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Creating Sustainable CT in North Yorkshire: 15 November 2006 - Richard Armitage

Introduction

- ◆ Financial pressure
- ◆ Funding environment
- ◆ Enterprising developments
- ◆ Policies and structures
- ◆ Impacts & outcomes: evidence

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**Case Study:
CT Calderdale**

- ◆ 2002: chiropody run to Brighouse Health Centre



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Community Transport Calderdale
Patient Transport in Primary Healthcare
Spring 2004

We're right up your street!

Reliable patient transport to clinics and GP surgeries can make a big difference, for healthcare providers and patients alike.

From our experience of providing transport to Brighouse Health Centre, the benefits are:

- ◆ More productive and efficient use of facilities
- ◆ More costs reduced
- ◆ Treatment enhanced
- ◆ Monitoring of long-term conditions improved
- ◆ Patient access to advice and specialist services
- ◆ Staff reduced

Successful deployment of patient transport helps you to reach wider targets

- ◆ GP services higher than ever
- ◆ Quality Clinical Commissioning
- ◆ PC's meet health improvement benchmarks
- ◆ Health inequalities reduced
- ◆ Fewer patients admitted to acute services
- ◆ Fewer patients missed A&E

The benefits of cost-effective patient transport are:

- ◆ Savings in staff time
- ◆ Savings in staff travel expenses
- ◆ More patients treated within the same budget
- ◆ Higher quality healthcare delivered

Community Transport Calderdale is already covering increased patient transport in Calderdale. See the case study manual!

About CT Calderdale
Community Transport Calderdale provides transport for those residents of Calderdale unable to access essential transport services for medical, dental, pharmacy, physiotherapy, occupational or physical, geographical isolation, poverty or ill age.

It was founded in 2001, after a study by Calderdale Metropolitan Borough Council and Calderdale & Wharfedale Health Authority identified the need for a door-to-door transport service for Calderdale residents.

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**Case Study:
CT Calderdale**

- ◆ 2006: Plunkett Foundation pays for external support, looking at Practice-based Commissioning
- ◆ 2006: Primary Care Trust makes 3-year funding commitment
- ◆ Sustainable? Not quite there...
 - ❖ No Acute Trust (Podiatry Dept.) £
 - ❖ GP-led developments not happening

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Financial support reduced

- ◆ Lost grant income
 - ❖ UBC £5m+ to CT 2001/03=£1.7m p.a.
 - ❖ RBC £13m to CT 1998/03=£2.1m p.a.
 - ❖ RTPF £29m to CT 1998/06=£5.4m p.a.*
 - ❖ PTG £1.8m to CT 2001/06 =£0.4m p.a.
 - ❖ Total Annual Loss = £9.6m
 - ❖ New! BSOG for s19 = £5m (some to LAs)
 - ❖ Net Loss = £4.6m p.a.
 - N.B. BSOG unavailable to car schemes, W2W, Shopmobility, and most group travel

*Last 5 years

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Inflationary trends

- ◆ Drivers' earnings
- ◆ Insurance
 - ❖ Typical minibus annual premium: 2000 - £600; 2006 - £1,200 = up 12.5% p.a. (& more ahead)
- ◆ Energy costs (premises, fuel)
- ◆ Vehicle replacement

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Cost base

◆ Vehicles

- ❖ Higher proportion are accessible
- ❖ Higher specification
- ❖ Move towards low floor & DPTAC
- ❖ More expensive vehicles + smaller average capacity
- ❖ Significantly greater unit cost per passenger

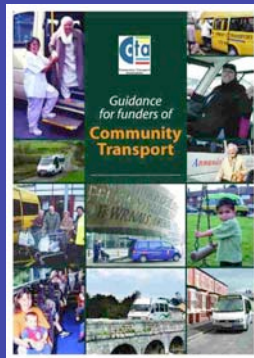


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Funding environment

- ◆ CTA
- ◆ Research
- ◆ Case studies
- ◆ Consultation
- ◆ Guidance for funders of CT
- ◆ Resources



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High level interest



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Scale economies

◆ Hackney CT

- ❖ Waltham Forest CT
- ❖ Lambeth & Southwark CT
- ❖ MyBus in West Yorkshire

◆ Ealing CT Group

- ❖ £45m turnover & 1,000 staff
- ❖ Milton Keynes Community Transport, with Age Concern Milton Keynes



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Enterprising developments

◆ Social enterprise awards

- ❖ Halton CT: MoT Testing
- ❖ Compass CT, Sunderland

◆ Wigan CT - just starting to grow

- ❖ WCT Social Enterprise Ltd.
- ❖ GMPTC contract for Demand Responsive Transport in Hindley & Aspull £85k p.a.



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The policy framework

- ◆ **Strategic approach to CT:**
 - ❖ Hampshire, Lancashire, Wales, etc.
 - ❖ ...and North Yorkshire
- ◆ **New policy framework**
 - ❖ Treasury *Cross-Cutting Review*
 - ❖ *Compact* & subsequent initiatives
- ◆ **Public sector financial pressure**
 - ❖ Gershon Efficiency Review

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Pressure to be (more) self-financing

- ◆ Office of Third Sector + Minister
- ◆ Office of Government Commerce
- ◆ "Full Cost Recovery"
- ◆ Tender for public sector services
- ◆ Community Interest Companies

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CT objectives

- ◆ **Thinking about CICs raises questions about a CT's objectives**
- ◆ **Traditional model:**
 - ❖ CT identifies needs
 - ❖ Delivers transport, below cost
 - ❖ Gets money in from third parties to enable this to happen
 - ❖ CT makes the decision about what transport to deliver

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Mainstreaming will alter a CT's approach

- ◆ **If we are more successful in 'mainstreaming' CT services, we will move towards:**
 - ❖ CTs becoming contractors rather than grant recipients
 - ❖ Funders determining content and scale of provision
 - ❖ CTs using contracts to generate surplus to support other services

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Core services get lost?

- ◆ **How will trading affect CTs?**
 - ❖ It can divert CT from core objectives
 - ❖ It is creating inter-CT competition, takeovers & mergers
 - ❖ No guarantee of sufficient profit to replace subsidy needed for CT's core services
 - ❖ Other finance, including public money, is still going to be required

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All parties need to get a grip on procurement

- ◆ **EU State Aid rules**
 - ❖ Affects 'economic undertakings' including potential competitors
- ◆ **CT 'market' wider (e.g. Taxibus, Demand Responsive Transport)**
- ◆ **£60,000 p.a. over 3 years = maximum limit, otherwise EU competition rules apply**

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Making the case for CT

◆ CT helping funders to meet their core objectives :

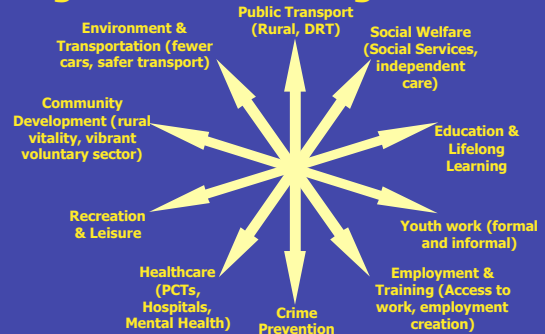
- ❖ Tackling social exclusion
- ❖ Urban regeneration
- ❖ Reducing rural isolation
- ❖ Better access to healthcare
- ❖ Developing social enterprise
- ❖ Better public transport

◆ How to secure this long-term?

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Agencies benefiting from CT



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Evidence

◆ Can CT groups identify their impact on social exclusion:

- ❖ in OUTCOME terms?
- ❖ quantitatively?
- ❖ in ways that align with stakeholder (including government) objectives?
- ❖ in ways that add value (££££)?

◆ This will be the key to survival & development

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