

CENTRAL MANAGEMENT BRANCH



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Our reference: SUB318

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Paul Carlisle
Clerk to the Committee for Regional Development
Committee Office
Room 254
Parliament Buildings
BELFAST
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Dear Paul

COMMUNITY TRANSPORT FUNDING

I refer to your letter dated 16 April requestings the Department to brief Members on Community Transport Funding on Wednesday 22 April 2015.

The attached presentation will be provided by Ciaran Doran, Head of Public Transport Services Division, and Tony McConnell, Public Transport Services Division.

This letter is fully disclosable under FOI.

Yours sincerely



ALAN DOHERTY
Departmental Assembly Liaison Officer



Department for
**Regional
Development**
www.drdni.gov.uk

PRESENTATION TO COMMITTEE **FOR REGIONAL DEVELOPMENT**

Community Transport Funding

22 April 2015

Legislative Context

- **Transport Act (Northern Ireland) 2011**

Section 33

The Department may pay grants toward expenditure incurred or to be incurred in –

(a) The provision of services appearing to the department to be wholly or mainly for the benefit of members of the public who have a disability or live in a rural area ..

Policy Context

The Rural Transport Fund (RTF) is administered by the Department and has been in existence in Northern Ireland since November 1998. Its primary objective is to support transport services designed to give people in rural areas improved access to work, education, healthcare, shopping and recreational activities and by so doing assists in reducing their social isolation.

- The RTF offers support through two primary means of assistance:
- Subsidy for new rural services provided by Translink which are economically unviable but socially necessary; and
- revenue and capital funding for Rural Community Transport Partnerships that offer a range of complementary services to the public transport network for their members.

FUNDING TO COMMUNITY TRANSPORT PROVIDERS

Rural Community Transport Partnerships

| | |
|---------|---------------------------------|
| 2012/13 | Baseline £2.75m – Actual £3.28m |
| 2013/14 | Baseline £2.75m – Actual £3.43m |
| 2015/16 | Offered £2.43m |

Disability Action

| | |
|---------|----------|
| 2013/14 | – £2.95m |
| 2014/15 | – £2.95m |
| 2015/16 | – £2.32m |

NUMBER OF JOURNEYS PROVIDED

RCTPS

- 2012/13 214,570
- 2013/14 243,967
- 2014/15 240,603*

DISABILITY ACTION (DATS)

- 13/14 59,338
- 14/15 53,864**

*final month of 14/15 estimated ** Up to January 2015

LEVEL OF RESERVES HELD BY RCTPS

| | |
|---------|---------------------------|
| 2012/13 | £1.2m |
| 2013/14 | £1.96m |
| 2014/15 | Awaiting Audited Accounts |

FUNDING/TRIPS/RESERVES

Since 2012-13 there has been an increase in funding by 10.67% and in total trips by 11.44%.

Total reserves held by each RTF Partnership has increased by 62.24% between 2012/13 and 2013/14.

Average miles per trip vary across RCTPs.

RCTPS – OTHER INCOME

RCTPs receive income from other sources, these include:

1. DARD (for ARTS)

2013/14 - £0.53m

2014/15* - £0.5m

2. Disability Action for DATS **

2013/14 - £0.57m

2014/15 - £0.49m***

* Up to February 2015.

** Down Community Transport and Out & About Community Transport do not provide DATS services

*** Up to December 2014

Allocation for 2015/16

| Partnership | 2015/16 Award |
|--------------------|-----------------------|
| CDM | £ 443,085.18 |
| Down | £ 323,542.81 |
| Easilink | £ 334,000.00 |
| Fermanagh | £ 350,613.09 |
| Lagan Valley | £ 125,586.70 |
| North Coast | £ 419,122.40 |
| South Antrim | £ 128,353.71 |
| Southern Area | £ 310,629.70 |
| | £ 2,434,933.58 |

OUR APPROACH TO ALLOCATION

- Need to maintain service provision across all of Northern Ireland
- Maintain services to the most vulnerable members
- To incentivise RCTPs to be more efficient
- To consider stability across Northern Ireland
- To consider the overall financial position of each RCTP

OPTIONS

| Partnership | % Actual Allocation | % Allocation w/ Trips x Miles | % Allocation w/ Costs | Reserves |
|---------------|---------------------|-------------------------------|-----------------------|----------------|
| CDM | 18.2% | 21.2% | 15.6% | 289,008 |
| Down | 13.3% | 10.4% | 13.5% | 106,604 |
| Easilink | 13.7% | 13.4% | 13.4% | 350,166 |
| Fermanagh | 14.4% | 10.1% | 11.3% | 378,560 |
| Lagan Valley | 5.2% | 3.3% | 6.3% | 158,926 |
| North Coast | 17.2% | 17.6% | 17.4% | 333,320 |
| South Antrim | 5.3% | 10.3% | 4.9% | 129,938 |
| Southern Area | 12.8% | 13.7% | 17.4% | 215,990 |
| | 100% | 100% | 100% | £ 1,962,512.00 |

PRESSURE AREAS

- Competition with Private Operators
- Legal Challenge (grant – v- contract)
- EU State Aid regulations
- Future licensing of RCTPs by DOE