

MID SUFFOLK DISTRICT COUNCIL

TO: MSDC Cabinet	REPORT NUMBER: MCa/23/58
FROM: Cabinet Member for Thriving Towns and Rural Communities	DATE OF MEETING: 14 th May 2024
OFFICER: Mark Emms, Director of Operations and Climate Change	KEY DECISION REF NO. CAB484

This report is open for public inspection. However, appendix 2 referred to within the report is not open for public inspection as it contains exempt information by virtue of which the Council are likely to exclude the public during the discussion of the agenda item to which the report relates.

The description of the exempt information under Schedule 12A of the Local Government Act 1972 (as amended) is as follows: -

- 3.Information relating to the financial or business affairs of any particular person (including the authority holding that information)

The author(s) confirm(s) that the public interest in maintaining the exemption outweighs the public interest in disclosing the information

MSDC RURAL TRANSPORT GRANTS FUNDING AWARDS

1. PURPOSE OF REPORT

- 1.1 Cabinet is asked to approve the outcome of the previously agreed Rural Transport Grant Scheme programme.

2. OPTIONS CONSIDERED

- 2.1 The cabinet is asked to approve, or not to approve, the outcome of the Rural Transport Grants scheme.

3. RECOMMENDATIONS
3.1 That, as per recommendations made by the funding award panel and with the understanding that the exact funding agreement still requires development, Cabinet approves in principle that MSDC awards a maximum amount of £300,000 to one applicant and a maximum amount of £300,000 to another for the provision of new passenger transport provisions across the district.
3.2 That cabinet delegate the further development and progression of this into formal funding agreements to the Director of Operations and Climate Change in consultation with the Cabinet Member for Thriving Towns and Rural Communities.
REASON FOR DECISION

Formally approving this funding arrangement/intention recommended by the funding awards panel demonstrates political support for this financial investment. Approval also demonstrates members are satisfied with how the recommendations on the funding awards have been reached.

4. KEY INFORMATION

- 4.1 In October, the Cabinet agreed to invest £600,000 into new community bus routes and passenger transport provisions via a rural transport grants scheme.
- 4.2 The scheme consisted of six grants of up to £100,000, each covering six different areas of operation designed to provide total coverage across the whole district.
- 4.3 The application window for this grant scheme has now been delivered. Information regarding how this was carried out, including the full brief to prospective applicants can be read here: www.midsuffolk.gov.uk/rural-transport-grants-scheme
- 4.4 A panel, made up of cross-party Councillors from the MSDC Sustainable Travel Working Group and officers from district and county council working in passenger transport, was established to shortlist, assess and give recommendations on applications.
- 4.5 The panel developed and utilised a 'scoring matrix' to judge each shortlisted application against a range of relevant criteria to assist this process. Please see appendices 1 and 2 for the detail and outcomes of this.
- 4.6 The panel were in agreement that two applications – both for multiple/all of the grants available - scored significantly higher than another application that was shortlisted, and stood out as being worthwhile taking forwards.
- 4.7 The panel agreed that splitting the funding available between these two applicants could offer an opportunity to pilot different types of solutions to the issue of rural transport, and develop partnership working to enable provisions covering as many days and hours as possible.
- 4.8 There are further details, clarifications, caveats, amendments, and negotiations to be developed with both of these applicants regarding their proposals to ensure they are fully meeting the brief of the council's ambitions, which will enable a formal funding agreement to be produced. Officers, in consultation with the already established panel, will work to progress this if cabinet agree to the funding intention in principle.

5. LINKS TO OUR PLAN FOR MID SUFFOLK

The awarding of this grant funding aims to tackle issues with rural connectivity and the lack of sustainable transport options across the district, meaning it is closely aligned to the councils emerging priorities and plan.

6. FINANCIAL IMPLICATIONS

The General Fund financial implications of the overall spend/project remain the same as the previous Cabinet reports on this topic.

The monies required to deliver on this grant scheme are already ringfenced from the Growth and Efficiency fund (following an approved budget amendment put forward by the Green and

Liberal Democrat group in February 2022). Following the delivery of the grant scheme and the approval of the funding awards, it is expected to be paid out within the next 2-3 months.

All funding invested is at risk – as noted throughout previous reports on this topic and within the risk management report of this section, there is no guarantee that the new provision will become financial sustainable for the longer term. The schemes may require further investment, and this is heavily dependent on passenger numbers that use them, with MSDC making no commitment to issue any further future funding at this stage. However, much consideration has been given to ensure the funding awards recommended reflect applications that best demonstrated robust plans, making longer term financial sustainability more likely.

7. LEGAL IMPLICATIONS

Advice has been sought from procurement with regards to allocating the grants, and no issues have been raised.

The application process required funding applicants to confirm they would be delivering a new service that would not have an effect on competition, which has ensured that rules around state aid/subsidy control do not apply to these grant awards. (The financial assistance does not meet 'Limb D' within the subsidy control guidance definition of a subsidy).

8. RISK MANAGEMENT

As noted within the previous cabinet report on this topic, the key risks are set out below:

Key Risk Description	Likelihood 1-4	Impact 1-4	Key Mitigation Measures	Risk Register and Reference
Issues with vehicle procurement and suitability which then impact on operational delivery and timelines	3	3	The grant scheme has been aimed at existing transport operators, who already have fleets of vehicles. This may reduce the need for so many vehicles to be procured, and also means that provision can start with existing fleet whilst newer, more environmentally sustainable fleet vehicles are procured.	Climate Change Project Risk Register for MSDC EV BUS/RURAL TRANSPORT FUNDING ST01
Insufficient funding is granted to deliver the desired routes or	2	3	Work closely with applicants to understand financials and adjust where necessary	Climate Change Project Risk Register for MSDC EV BUS/RURAL

length of delivery planned/proposed				TRANSPORT FUNDING ST02
Lack of users	2	3	Service must be created to be easy to use and book (e.g. provision of an app and phone line if it's DRT, well promoted if it's flexible-scheduled routes) and marketed well before launch and beyond	Climate Change Project Risk Register for MSDC EV BUS/RURAL TRANSPORT FUNDING ST03
Reputational risk from working with/investing in partners	1	3	Priorities, delivery methods and monitoring agreements must be outlined in a funding agreement	Climate Change Project Risk Register for MSDC EV BUS/RURAL TRANSPORT FUNDING ST04

9. CONSULTATIONS

Some initial informal key stakeholder consultation – with parish councils and local community transport operators - has already been undertaken to gauge the areas currently completely lacking in any passenger transport provision, or with very poor, irregular, or infrequent services. This helped to develop the brief of the grants scheme.

Grant applicants were asked to demonstrate consultation evidence, or plans to undertake consultation, to demonstrate the need for, and likely success of, their proposed delivery. The robustness of this was taken into account by the funding award panel when making their recommendations.

10. EQUALITY ANALYSIS

An EQIA screening was previously carried with the recommendation to proceed with a grants scheme, and concluded that a subsequent full EQIA is not deemed necessary. Approving the decision on the funding awards does not alter this.

One key principle of any new provision funded by the council, and a core remit of community transport in general, is that the provision is accessible and inclusive for all users. This will need to be ensured by any transport operator utilising grant funding to deliver routes specified by the council, and this will be documented and enforced by a funding agreement.

11. ENVIRONMENTAL IMPLICATIONS

The grant awards proposed are intended to support a number of MSDC's environmental, climate change mitigation, and carbon reduction management ambitions, particularly with regards to sustainable travel and air quality – by offering an alternative to single occupancy car journeys.

12. BACKGROUND DOCUMENTS

Please find, hyperlinked, [the previous cabinet report and minutes from the cabinet meeting that agreed the delivery of the Rural Transport Grants Scheme \(item 41\)](#)

Please find attached;

- Appendix 1: Scoring matrix used to assess applications
- Appendix 2: (Confidential): further detail on the recommended successful applicants including scoring matrix.

APPENDIX 1: Scoring Matrix used to assess applications

		Score			
		-1	0	1	2
Meeting the brief	The service will be accessible to all	<i>The proposal raises concerns around accessibility.</i>	<i>There is little detail of this in the proposal, and the proposal raises questions on issues regarding vehicle and booking accessibility and fare affordability</i>	<i>There is some detail of this in the proposal, and consideration has been given to vehicle and booking accessibility and fare affordability</i>	<i>The proposal includes detail around wheelchair (and other mobility needs) accessible vehicles, use of an app and a phoneline for journey bookings if applicable, or service will be operated as a local bus with no need to pre-book. Affordable pricing and acceptance of ENCTS passes, participation in £2 fare-cap or other future govt initiatives.</i>
	The service will deliver provision at useful times for those accessing work, education, healthcare, shops and services, as well as the night-time economy	~	<i>The service will not deliver this, or deliver very little of this and there does not appear to be scope to negotiate the hours of operation.</i>	<i>The service will operate at times that accommodate most of this, but not capture all. There is scope to negotiate the hours of operation.</i>	<i>The service will operate between 7am and 11pm everyday</i>
	The service will cover the entire area applied for	<i>The proposal has only focused on one part/route within an area of operation, rather than the whole area.</i>	<i>It is not clear from the operational detail given that the entire area will be included/covered</i>	<i>It is clear from the operational detail given that the majority of the area will be included/covered, or there is potential for the entire area to be included/covered</i>	<i>It is clear from the operational detail given that the entire area will be included/covered</i>
	The service will offer something different and new, and appeal to a broader demographic of passengership than existing community transport operations	<i>The proposal does not offer anything new, different or innovative</i>	<i>The closely mimicks existing provision (such as Connecting Communities), but perhaps increases capacity.</i>	<i>The proposal offers something different to the services already in existence, and has given consideration to how the appeal/use of the provision will be broadened out to a new demographic of people</i>	<i>The proposal is innovative, offering a new take on community transport with a good plan to attract a new demographic people - such as a strong branding/comms campaign and/or an app</i>
Environmental criteria	Proposal will deliver provision in the most environmentally sustainable way possible	<i>There is no reference to environmental sustainability in the proposal.</i>	<i>Proposal demonstrates an operation model that reduces dead mileage</i>	<i>Proposal demonstrates an operation model that reduces dead mileage and includes the provision vehicles that are 'cleaner' and/or can use lower carbon fuel such as biofuel</i>	<i>Proposal includes the provision of zero emission/electric vehicles</i>
	The service will connect people to onward travel sustainable transport connections and/or significant 'hub' destinations with significant opportunity to reduce car journeys to that destination	~	<i>Proposal does not demonstrate any linkages to onward sustainable travel connections or demonstrate a real opportunity to reduce car journeys.</i>	<i>Proposal demonstrates a link-in to centres of employment, retail, education and health services which might otherwise be accessed by car, and/or other passenger transport provisions, eg other bus operations and/or railway stations with timings considered. Proposal includes provision for cycles on buses.</i>	<i>Proposal gives details about how the service will link-in to centres of employment, retail, education and health services which might otherwise be accessed by car, and/or other passenger transport provisions, eg other bus operations and/or railway stations with timings considered. Proposal includes provision for cycles on buses.</i>
Economic criteria	The proposal offers good value for money	<i>The proposal raises concerns around value for money.</i>	<i>The proposal maxes out the budget available but does not evidence how all criteria/the ethos of the funding is met, and/or the financial breakdown does not seem effective</i>	<i>The service being delivered meets the majority of the criteria/the ethos of the funding and the breakdown of costings demonstrates this. Other value-adding elements are being brought to the table.</i>	<i>There is a comprehensive and effective breakdown of costings, either coming in under budget, or maximising the available budget to meet all of the criteria/the ethos of the funding. Match funding is being brought to the table.</i>
	The proposal demonstrates how the service will become financially sustainable in the longer term/beyond the life of the initial funding	<i>There is no plan or reference to the financial future-proofing of the service.</i>	<i>There is a vague plan or reference to the financial future-proofing of the service, but it is questionable.</i>	<i>There is some detail or consideration given to the financial future-proofing of the service, but it is not very thorough or realistic</i>	<i>There is a clear plan of action as to how this service will be marketed/used enough so that continuation of the service beyond the life of the grant (through passenger fare revenue, for example) will be as likely as possible</i>
Deliverability & Operational considerations	Scheme/service implementation feasibility	<i>The proposal raises concerns around deliverability and the applicant does not offer any reassurances via either their proposal or their reputation.</i>	<i>The proposal lacks any real detail around how the service will be implemented/delivered, and/or the proposal does not appear to be viable and the applicant lacks experience in transport operations.</i>	<i>The proposal appears realistic and achievable for the applicant, although there are some questions regarding implementation that may require further detail or reassurance</i>	<i>There is a clear plan of action as to how this service will be implemented, and the operational detail appears to be well thought through and realistic</i>
	Timeline	~	<i>There is no real plan of action as to when this service will be implemented, and there are many constraints referenced with too many uncertainties</i>	<i>There is a plan of action as to when this service will be implemented, and although there are some constraints they are reasonable and can be accommodated/will not delay implementation to an extent that is unacceptable</i>	<i>There is a clear plan of action as to when this service will be implemented, and it is in the not-too-distant future</i>
	Partnership working	~	<i>There is little to no reference to partnership working</i>	<i>There is some reference to partnership working and how it will be utilised to enhance the proposal/provision. There is acknowledgement that this proposal could tie in with others submitted.</i>	<i>There has already been some groundwork laid with regards to partnership working, and the proposal clearly demonstrates a commitment to further partnership working to enhance it. There is a clear and detailed plan about how this proposal could tie in with others submitted (e.g. benefits from this applicant covering multiple areas of operation, or how they will work with operators in the area of operation nextdoor).</i>

