

12 November 2015

Agenda Item: 6

REPORT OF THE SERVICE DIRECTOR, TRANSPORT, PROPERTY & ENVIRONMENT

SHARED PUBLIC TRANSPORT SERVICES PROVISION WITH THE CITY COUNCIL: PROJECT OUTCOME

Purpose of the Report

1. To advise Committee of the outcomes of the shared service project.
2. To seek approval to establish a Memorandum of Understanding for some of the public transport functions.
3. To seek approval to revisit the potential for shared services if there are any significant changes in future governance arrangements.

Information and Advice

4. The Redefining Your Council strategy is a new approach to make sure the Council can deliver the Strategic Plan. The strategy requires a fundamental review of services and the best model for delivery to ensure frontline services are safeguarded. The Transformation Programme identified public transport as an area for review and the work undertaken in this review will determine the best delivery model in order to achieve value for money and the best outcomes for passengers.
5. Transport & Highways Committee on 25 March 2015 approved:
 - i) that the TTS Team Manager for Commissioning & Policy lead on the Shared Service project for public transport.
 - ii) the appointment of a Project Officer to support the project
 - iii) to start shadow working in key areas where there is potential for 'quick wins' which include but was not exclusive to:
 - Integrated ticketing to utilise City expertise to support the critical phase of smartcard and ticketing developments in Mansfield;
 - Independent Travel Training (ITT);
 - Back office systems: information, data and asset management;
 - Concessionary Travel Scheme Management;
6. An update report to Transport and Highways Committee on the 16 July 2015 outlined progress in key areas and the next stages of the process. This included:
 - i) Project plan development split into public transport functions workstreams to capture quick wins and to initiate service mapping to identify potential for shared provision;

- ii) Progress in key functional areas including Independent Travel Training, fares and ticketing, transport information / bus service registrations, concessionary travel management and the preparation of external funding bids;
- iii) Dial a Ride: to approve a trial to extend Dial a Ride provision into the Greater Nottingham Area to improve accessibility for the most vulnerable members of our communities.

Changing Local and National Picture

7. **Combined Authority:** The Councils in Nottinghamshire and Derbyshire have submitted proposals to Government to form a Combined Authority which will impact on local governance arrangements. This may include each Authorities respective 'Highway Authority and Transport Authority' responsibilities. This could impact on the delivery of the public transport functions covered in this Shared Service Review and provision of the supported bus network.
8. **Devolution and the Buses Bill:** The Councils have also submitted a devolution bid to Government which involves:
 - Enabling powers to change local bus management arrangements if Quality Bus Partnership arrangements fail to deliver public transport improvements;
 - Devolving of Government public transport funding ie BSOG and Concessionary travel;
 - Devolution of Traffic Commissioner bus registration powers;
 - Establishing Total Transport Hubs to secure more efficient and effective transport provision across public sector providers i.e. NHS;
 - Working closely to provide smart / contactless payment options;
 - Working with DfT and bus operators to influence bus fare structures to improve access to work and training;
 - The Bus Bill will enable the above to be implemented
9. **Comprehensive Spending Review (CSR):** Both Authorities are awaiting the CSR announcements in November 2015 which may lead to further reductions in Government funding settlements.

Project Update

10. **Service mapping:** Significant joint work has been undertaken over the past few months and is summarised as follows:
 - Staff at County and the City have significant differences in their Terms and Conditions. The structures and responsibilities in the teams also vary considerably.
 - This makes things very complicated when considering any alternative shared service model or structure. The City advised that they do not wish to make significant changes to their structure at this point in time due to possible changes in governance.
11. **Support services provision:** Any shared service arrangement would affect support service costs particularly in the following areas:
 - Disruption costs and the additional costs of re-location;
 - Property Overheads costs and the costs associated with relocating staff;

- HR /Legal/ Procurement costs and how these costs would have to be worked through and negotiated to determine value for money;
- The outcome may increase costs to the Authority as the potential movement of such a small team would not necessarily enable a reduction in support costs.

12. Independent Travel Training (ITT):

- The TITAN ITT scheme has been embedded into many City and County Schools which simplifies the 'offer' to students.
- The County and City have combined resources to manage and administer the TITAN buddy scheme; which is an ITT 'top up' to prepare City and County students for school or college, from Autumn 2015. This collaboration has been achieved without the need for further resources to administer the scheme. This summer 35 students with learning disabilities have successfully completed the training and now travel independently on local transport services.

13. Fares and Ticketing (including Smart Ticketing): Joint working is assisting Integrated Ticketing Strategy implementation :

- Technical: Jointly scoped the technical challenges and input required to progress smart ticketing solutions for integrated ticketing for Nottinghamshire.
- Resources: agreed to progress integrated ticketing including City Council, County Council and consultants support.
- Developed a project plan: to ensure delivery in 2016/17 financial year.
- On street ticket machines (Greater Nottingham area): 26 installation sites agreed in Greater Nottingham area to facilitate Kangaroo ticket sales. Both Authorities benefit from shared resource and lower on costs. This will enable the Greater Nottingham e purse ticket to be launched on 14 December.
- A further progress report on ticketing will be submitted to Transport and Highways Committee in Spring 2016

14. Transport Information and Bus Service Registrations

- The City have utilised the County's timetable data and asset management system saving capital and ongoing revenue costs. The County has benefited with a 40% reduction in maintenance costs.
- The system also enables the more efficient production of on-street printed timetable information saving on design and print costs. This will reduce design costs by 66%.
- A second phase to develop smart mobile solutions to aid asset information and contract management to improve efficiency in compliance monitoring has begun with implementation likely to be in Spring 2016.
- Expansion and roll out of the real time stop and interchange information scheme across Nottinghamshire, utilising the back office systems at the City Council. This includes over 100 displays installed in the past six months, including at important bus/tram interchanges such as Beeston.
- Procurement: Real Time Infrastructure and timetables will be jointly procured which will save between 13% and 22 % in purchase costs. Similarly ongoing maintenance contracts will be jointly procured on expiry of current contracts. The roll out of Automatic Vehicle location Traffic Light Priority (AVLTLP) has been extended to City Council maintained traffic signals using the equipment already installed by the County Council. This saves the City Council Capital costs and both Councils on-going maintenance costs.

15. External Funding Bids

- Southern Growth corridor (LEP funded): the detailed business case is now being prepared for this project which includes bus priority improvements and bus stop upgrades in the County including Rushcliffe 'smart' corridor (LEP bid). This will link into the Southern Growth Corridor and Broadmarsh re-development.
- Real Time Passenger Information (LEP bid): this is a potential regional bid across D2N2 for the rollout of RTPI. The main components are:
 - 1500 displays showing scheduled and RTPI
 - Facilitate the link between all RTPI enabled buses to show RTPI information on street and on mobile devices
 - Facilitate smaller operators to procure RTPI enabled Ticket Machines
 - Develop 'smart' Apps to provide RTPI and exception information
 - Automatic Vehicle Location Traffic Light Priority at further junctions across the D2N2
 - Upgrade back office systems
- OLEV (Office for Low Emission Vehicles) bid: reported at the Transport and Highways Committee on the 8th October. The City and County have worked together to submit a bid for electric buses and infrastructure. This close collaboration will need to continue if the bid is successful to facilitate implementation and on-going project monitoring. Announcements for the successful bids should be made in January 2016.

16. Concessionary Fare Scheme Management

- Exploring potential to jointly negotiate concessionary fares arrangements with operators from April 2016 onwards to realise savings;
- Exploring the option for joint concessions smartcard management;
- Exchanging best practice in the concessions application process to minimise fraud and introduce e-applications. This could reduce concessionary spend for disabled pass users by between 5 and 10%.
- The joint survey and smartcard data analysis project looking to identify fraud and journey patterns which should enable a joint reduction in concessionary fares reimbursement

Quality Bus Partnerships

17. The Beeston Statutory Quality Bus Partnership was formulated to mirror the City Council SQBP and this will be reviewed and updated when the City Centre SQBP is refreshed in 2020 or sooner depending on the Broadmarsh project.
18. The launch of the new Beeston Interchange was carried out in conjunction with the City Council, with the City Infobus being used to disseminate information to residents.
19. The rollout of the Infobus bus into Greater Nottingham has been approved for a 1 year trial
20. **Transport Facilities:** Development has taken place in the following areas of service provision.
21. Explored efficiency savings including CCTV management, out of hours management, staff cover and contract procurement. This work is on-going and there is potential for some opportunities for saving.

22. Common quality standards on street and within bus stations to simplify the offer to passengers. This includes co-ordinated staff training across all bus stations.
23. Introduced bus station departure charges that are comparable, so they are consistent between both Authorities.

Dial-a-Ride

24. Dial-a-Ride expansion into the County Area has been approved by the City Council and the trustees of Nottingham Community transport and partners have made significant progress as follows to ensure implementation in Spring 2016:

- Determined the geographical area for the extended scheme which will mirror the Kangaroo ticket area. (Greater Nottingham)
- Formed a new pricing structure which will be based on mileage and not on Zones, so residents that live close to a Zone boundary are not penalised for a short journey.
- Revised registration requirements and concessions eligibility to make the service more attractive. People with disabilities who need ENCTs would automatically become members.
- Revised operating hours to reflect passenger demand
- Improved booking arrangements so clients can book up to 7 days in advance.
- Started the procurement of new booking software to improve business efficiency and customer experience.
- Publicity and marketing strategy formulated to promote the service with targeted mailing to Disability groups.

Proposals

25. Taking into account the factors in paragraphs 7-9 and the uncertainty around local governance arrangements and budgetary challenges, it is felt by both Authorities that it would not be beneficial for either party to enter into a Shared Service Level Agreement at this present time; particularly as this would involve significant change, which may need to be repeated following any further changes in the local governance arrangements.

26. Both councils have achieved balanced financial and delivery benefits from the work to date. Clearly there are some areas where collaborative working will continue to be beneficial to both Councils and the travelling public. It is, therefore, recommended that a Memorandum of Understanding be established in the following functional areas of service provision:

- Public Transport Policy (including statutory quality bus partnership)
- Independent travel training (ITT)
- External funding bids
- Fares and ticketing (including smart ticketing)
- Transport information and bus service registrations
- Bus quality partnerships
- Concessionary fare scheme management

27. A 'Shared Services' Steering group is set up which meets up regularly following the quarterly Bus Quality Partnership meetings. This will involve Senior Managers, who will steer joint working activities to deliver each Council's strategic and operational priorities.

28. An update on the work undertaken and efficiencies made will be reported to Committee annually. There will also be triggers to re-consider shared service arrangements if a 'material' change happens as outlined in the local governance arrangements.

Other Options Considered

29. A number of options have been considered to integrate the County Council services and the City Council Public Transport Team. This ranged from formal integration of the functions, governance and budgets to the development of a service level agreement with one lead Authority. These options have not been recommended to Committee, due to the reasons contained in this report.

Environment and Sustainability

30. Public transport is key to congestion management; a reduction in car use improves air quality and reduces CO2 emissions.

Statutory and Policy Implications

31. This report has been compiled after consideration of implications in respect of crime and disorder, finance, human resources, human rights, the NHS Constitution (Public Health only), the public sector equality duty, safeguarding of children and vulnerable adults, service users, sustainability and the environment and ways of working and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

Financial Implications

32. The financial implications are shown in the report and the total c£90k will contribute to the savings targets for this service area.

Implications for Service Users

33. Public transport helps tackle congestion and improve accessibility to employment, training, health and other key facilities. Improvements in service delivery, such as integrated ticketing will improve the public transport offer for users. Introducing a pilot Dial-a-Ride service in the Greater Nottingham area will give people with access difficulties more choice of travel.

RECOMMENDATION/S

- 1) Note the conclusion and outcomes of the Shared Services project with the City Council.
- 2) To approve the establishment of a Memorandum of Understanding for the functional areas outlined in paragraph 26 with the final document being approved by Committee.

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For any enquiries about this report please contact: Pete Mathieson, Team Manager, Commissioning & Policy, Transport & Travel Services

Constitutional Comments (SJE 19/10/2015)

34. This decision falls within the Terms of Reference of the Transport & Highways Committee to whom responsibility for the exercise of the Authority's functions relating to the provision of passenger transport services, including bus initiatives, has been delegated.

Financial Comments (DK 19/10/2015)

35. The financial implications are set out in the report and the total saving agreed.

Background Papers

Except for previously published documents, which will be available elsewhere, the documents listed here will be available for inspection in accordance with Section 100D of the Local Government Act 1972.

- Shared Services Transport & Highways Committee – 25 March 2015
- Integrated Ticketing Plan - Transport & Highway Committee – 11 September 2014
- Department for Transport – Buses Bill – November 2015
- OLEV Bid for electronic vehicle funding – 28 October 2014

Electoral Divisions and Members Affected

ALL