

## EXECUTIVE SUMMARY

This report presents the results of a review of the potential for improved efficiency through shared service delivery between Nottinghamshire County and Nottingham City Councils. The review covered three specific service areas: **public transport infrastructure provision and operation**; **public transport promotion and information**; and **concessionary travel**. It was based on review and analysis of information provided by key officers in the two authorities on how they currently operate, and looked at three main areas for potential efficiency improvements:

- Shared service staff teams
- Joint procurement
- Sharing of IT systems

### Shared service staff teams

The review found that the potential efficiency benefit to be gained from a **general merger** of the teams of people delivering the three service functions in the two authorities was not clear *from the available data*. This is primarily because in many areas the workload appears to be largely additive in nature, without any obvious significant saving in management or administration overhead tasks from merging of teams.

However, the review showed that there is clearly potential for efficiency gains through closer working of staff in **certain areas**, which could be implemented immediately (Phase 1):

- Development of integrated ticketing and smart card systems is an area where there is a clear case for closer working, which could potentially involve co-location of a County officer to work (at least part-time) within the City smart card and integrated ticketing team to benefit from the City's expertise in this area.
- Defining a single concessionary travel scheme that covers both local authority areas would yield efficiency benefits, allowing scheme administration and operator reimbursement to be undertaken by one authority's staff under a service level agreement. The logical choice would be for those functions for a combined scheme to sit within the County Council team, as that is the larger scale current operation with the better supporting system incorporating an additional level of fraud protection.

It also recommended that the potential for closer working across a wider range of areas is **investigated further through some additional collaborative working or staff sharing** between the two authorities over a period of 12 months (Phase 1a). This would enable each authority to see in greater detail how the other works, enabling any other efficiency areas or service improvements that may come from shared staff teams to be identified with greater confidence. Better-informed decisions could then be taken on whether and how to realise those efficiencies (Phase 2).

### Joint procurement

The review identified the following areas where joint procurement could provide benefits in terms of reduced costs or better public services:

- There is some scope for efficiency gains through use of joint contracts to provide and maintain bus stops and shelters. Further investigation is needed of the terms of the separate

contracts currently in place with both Councils, followed by 'market sounding' discussions with each of the current contractors.

- There is some potential for efficiency improvement through combining the HOPS functions for concessionary travel (and other) smartcards, when the current City Council contract arrangements expire. To take this forward, further exploration of the current HOPS market would be needed and development of a deal that is advantageous to both authorities.

### Sharing of IT systems

Sharing of existing IT systems offers some potential for efficiency improvement and cost-sharing:

- The efficiency of asset management tasks in the City could potentially benefit from using the Novus FX software that the County has installed, provided the City Council was convinced that any efficiency benefits (in what is seen as a relatively minor task) would outweigh any cost involved. The terms of the software licence would need to be checked to ensure that adding City Council users is permissible.
- Dealing with the authorities' statutory duties on bus service registrations and data provision, and producing timetable information, are also areas where sharing of the County's Novus FX system should potentially offer some efficiency gains to the City Council. As with asset management, to justify 'buying in' to the County's system, the City Council would need to see any staff time savings as 'cashable' by allowing redeployment of staff on to other essential tasks.