

THE HIGHLAND COUNCIL
EDUCATION, CULTURE AND SPORT COMMITTEE
22 MAY 2008

Agenda Item	
Report No	

INTEGRATED TRANSPORT CO-ORDINATION UNIT

**Joint Report by Director of Education, Culture and Sport
and Director of Transport, Environmental and Community Services**

SUMMARY

This report recommends the creation of an integrated Transport Co-ordination Unit within Transport, Environmental and Community Services to manage passenger transport, with public and all home to school routes being integrated in the first phase. A future report to the appropriate Committees will outline proposals to include the management of the Social Work transport functions and the Council's minibus fleet within this integrated Unit.

1. Background

- 1.1. Since January 2001 it has been the Council's policy to move towards an integrated Transport Co-ordination Unit to manage all Council responsibilities for passenger transport, with public and Education transport being integrated in the first phase, and Social Work transport functions and management of the Council's minibus fleet being added at a later date.
- 1.2. Closer working between the TEC Services public transport team and Education, Culture and Sport (ECS) has shown clear benefits for both public and school transport where selected contracts have been integrated in both the 2001 and 2006 rounds of tendering. This has, however, fallen well short of full integration as the management of the two sets of contracts is still substantially separate.
- 1.3. The key purposes of an integrated Transport Co-ordination Unit are to improve the quality and cost-effectiveness of transport by a consolidated approach to service planning and management. Integrating the tendering and contract management will also help to fulfil the objectives of the Council's Contract Standing Orders, particularly section 7 (Aggregation of Demand and Partnership Working).
- 1.4. There is also a need to co-ordinate policies relating to entitled school transport and school travel plans, which at present can have conflicting objectives. This should be addressed in the Council's Local Transport Strategy (currently in preparation) and a Co-ordination Unit would be well placed to integrate practices once the Strategy is approved.
- 1.5. Most other Councils have integrated Units to manage public and school transport, several of which also manage Social Work transport.

2. The present structure

- 2.1. Public transport contracts, including those which have already been combined in order to meet both public and home-to-school needs, are managed in the TEC Services Public Transport team in Headquarters.
- 2.2. All other school transport – the majority – is administered in ECS's area offices. The current school transport administration staff allocation within ECS is approximately 4.6FTE with points of presence in Wick, Brora, Dingwall, Inverness, Kingussie, Portree and Fort William.
- 2.3. Within the current staff allocation in ECS there is no provision either for contract monitoring or for proactive service planning and development. Both of these functions are done with regard to public transport contracts and would become key tasks of an integrated Transport Co-ordination Unit. Both functions are significant in terms of workload but will be crucial for improving value for money and service quality.
- 2.4. The 2008-09 ECS school transport budget is £10.98M. TEC Services currently recharge the ECS school transport budget for the proportion of the combined contract costs which are attributable to school transport requirements.

3. Proposed structure

- 3.1. An integrated Transport Co-ordination Unit would initially be responsible for all public and home-to-school transport, with Social Work transport being added at a later stage. Responsibilities, including those to be transferred from the ECS Service to TEC Services, are listed in Appendix 1.
- 3.2. It is envisaged that the Co-ordination Unit will be based in Inverness with devolved locality teams located across all of the Council's 3 administrative Areas. It is not possible to be precise about the definite locations of the devolved team until the appointments are made within the proposed structure. Points of presence in each locality will be an important requirement in order to facilitate contract monitoring, contact with the public, schools and contractors, and to benefit from local knowledge.
- 3.3. The availability of suitable office spaces within TEC Service establishments at a local level has been confirmed. It is also essential that the proposed management structure enables operation as an integrated Unit despite the disparate geographical locations of individual team members.
- 3.4. It is proposed that each locality team would comprise a Local Transport Officer, a Local Transport Assistant and clerical support. The Transport Development Officer in Headquarters would be responsible for overseeing the school transport network planning process as well as operational standards and consistency. Details of the proposed integrated Unit structure are outlined in Appendix 2.
- 3.5. The staff numbers allocated to school transport within the proposed integrated Unit are approximately 20% lower than the average for comparable Units within other Scottish authorities. Given the size and geographical diversity of the Highland area, this is the minimum possible number of staff to do the range of

tasks envisaged. The proposed integrated Unit will be funded from existing budgets within TEC Services and the appropriate levels of funding transferred from the ECS Service budget.

- 3.6. It is proposed that ECS would retain the school transport budget and the responsibility for policy and overall service standards (e.g. entitled distances, school catchment areas, parameters for service provision). ECS would therefore benefit from savings achieved. TEC would be responsible for effective service delivery as well as professional advice. This is the model most commonly used in other Councils.
- 3.7. The future roles and responsibilities of the respective Services are contained within the proposed Service Level Agreement outlined in Appendix 3.
- 3.8. The SLA could also, subject to appropriate agreement between the respective Services, set targets for reviews of policies and procedures such as the provision of concessionary places for non-entitled pupils or streamlining the transport applications system.
- 3.9. Subject to the Resources Committee confirming the proposed structure, it is proposed that the integrated Unit will be fully operational during the latter part of 2008.
- 3.10. Fourteen routes in Sutherland are operated by Council-owned buses (ten minibus routes and four coach routes). It is recommended that an options appraisal exercise be carried out, examining the benefits of in-house operation as compared with private sector contracts, with reference not only to the existing routes in Sutherland but also the potential for in-house operation elsewhere in Highland, and that the outcomes will be the subject of a further joint report to the appropriate Committees.

4. Benefits

- 4.1. Benefits of the integrated Co-ordination Unit are expected to include:
 - ◆ More intelligent specification of requirements / procurement methods
 - ◆ Reduced cost of provision through more cost-effective contracts and more efficient use of vehicles
 - ◆ Professional advice on school transport policy and practice
 - ◆ Cost-effective ways of filling gaps in public transport service provision
 - ◆ School transport (and later, Social Work transport) being managed by people working in dedicated teams
 - ◆ Improved standards of service provision (e.g. care of passengers with special needs) and improved consistency of provision
 - ◆ Monitoring of contract operations and compliance.
- 4.2. Management within the integrated Transport Co-ordination Unit will provide advice on school transport policy in keeping with legislative changes and current best practice.
- 4.3. Benefits are not limited to school transport. With the Transport Co-ordination Unit gaining an Area presence, public transport monitoring and customer contact will

be improved. The future inclusion of the Social Work transport function within the integrated Unit will bring further efficiencies and is likely to lead to a more coordinated approach to the transport provision for pupils with Additional Support Needs (ASN). Further opportunities are likely to be found for providing off-peak public transport services at marginal cost, including a wider coverage of demand-responsive services such as dial-a-buses.

5. Performance monitoring

- 5.1. It will be essential to monitor the effectiveness of the integrated Unit in order to identify ongoing efficiencies, service standards and value for money. Although it is expected that significant cost savings will be achieved over time, improvement in standards of service is an equally important outcome.
- 5.2. Performance of the proposed integrated Unit must take account of changes in demand as well as the quality of service delivery, and could include the following measurements:-
 - ◆ Number of pupils entitled to transport
 - ◆ Value for money of contracts (cost per pupil/contract/mile)
 - ◆ Trends in costs of individual contracts
 - ◆ Before and after comparisons of costs at re-tendering
 - ◆ Number of school transport contracts integrated with other transport needs
 - ◆ Vehicle utilisation (hours per day)
 - ◆ Number of contracts monitored and record of compliance/defaults
 - ◆ Time taken to process transport applications
 - ◆ Trends in number of complaints received about service quality, and effectiveness of actions taken
 - ◆ Maximum/average time spent by pupils on transport.
- 5.3. It is critical that appropriate indicators are identified and that ongoing trends are closely monitored in order to inform both strategic planning and management corrective actions when appropriate. Bench-marking with other comparable authorities will be part of the ongoing performance measurement management system.

6. Resource implications

- 6.1. In order to create the proposed structure outlined in Appendix 2, the appropriate level of funding will be transferred from the ECS Service budget to the TEC Services budget. This budget transfer totalling £151,243 in a full financial year will provide funding for 6.0 FTE of the posts within the integrated Transport Co-ordination Unit. Historically within the ECS Service there have been 5.5 FTE posts delivering the school transport administration function. The justification for providing the additional 0.5 FTE funding is in recognition of the additional contract monitoring and compliance duties that will be carried out by the integrated Co-ordination Unit.
- 6.2. With the exception of the above budget transfers, all other school transport budgets will remain with the ECS Service. Further discussions are required between officials in both Services with regard to the budgets for escorts who accompany ASN pupils on their journeys to and from school, in order to establish

the optimum arrangements for day-to-day management and budget accountabilities for this group of staff.

- 6.3. It should be noted that the outcome of the option appraisal relating to the Sutherland transport fleet may require further discussions about the future of that budget.

7. RECOMMENDATIONS

7.1. Members are invited to approve the transfer of all operational responsibility for home-to-school transport from the ECS Service to an integrated Transport Co-ordination Unit within TEC Services.

7.2. In relation to the above, members are asked to approve the following:

- The proposed staffing structure contained within Appendix 2.
- The budget transfers between the ECS Service and TEC Services outlined in paragraph 6.1.
- The creation of a Service Level Agreement as outlined in draft in Appendix 3 and to instruct the respective Directors of the ECS Service and TEC Services to modify this document as appropriate on an ongoing basis.
- The performance management proposals as outlined in section 5 of the report.

Signature:

Designation: Director of Education, Culture and Sport Service

Date: 08/05/2008 15:21

Signature:

Designation: Director of Transport, Environmental and Community Service

Date:

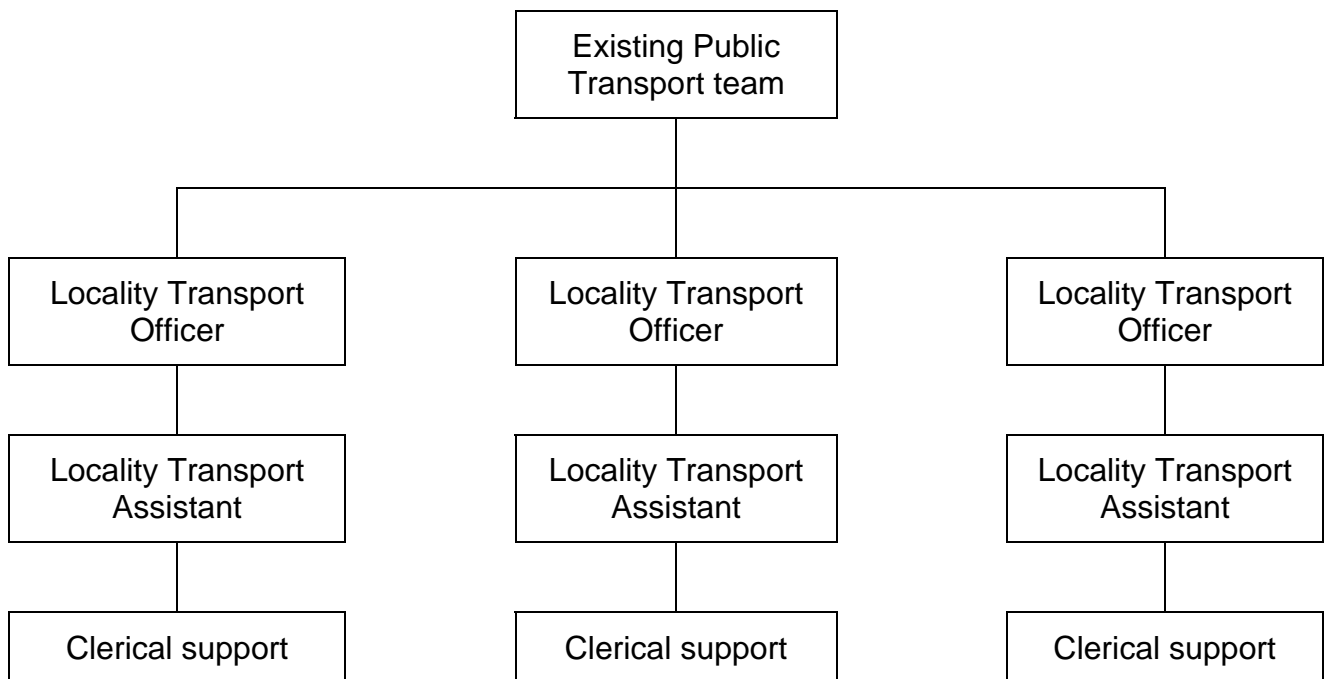
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Ron MacKenzie ECS Service

Background Papers: Appendix 1 – existing and proposed responsibilities
Appendix 2 – proposed structure
Appendix 3 – draft Service Level Agreement.

EXISTING AND PROPOSED RESPONSIBILITIES

Function	Comment
Current TEC functions to remain in TEC	
National policy matters such as consultation on new legislation and lobbying of Government	
Council policy matters e.g. Local Transport Strategy	Some interface with other Services e.g. school transport policy
Links with partner bodies, particularly HITRANS	
Co-ordination of bus service infrastructure improvements	
Liaise and negotiate with ferry and train service operators, and integration between these modes	
Liaise with bus operators over commercially operated routes	
Specify tendered bus service routes, and develop them (this includes combined TEC/ECS contracts)	
Manage tendered public transport services budget	
Monitor public transport contract operation and compliance	
Administer and pay for public transport contracts, including recharges to ECS	
Support and develop community transport services	
Consult with user groups and community groups	
Produce timetable publicity for all public transport, including development of publicity for the Internet	
Administer concessionary fares (except on bus), and concession applications of National Entitlement Card	
ECS functions to transfer to TEC	
Process transport applications	Requires co-ordination with enrolment to school
Maintain lists of eligible and concessionary pupils and allocate them to routes	Requires input from ECS data
Specify and tender school transport routes	
Manage school transport budget (on day to day basis)	Overall monitoring by ECS
Administer and pay for school transport contracts	
Process Disclosure Scotland checks on drivers and escorts	Liaison with ECS over policy
Maintain vehicle documentation records	
Contact and consult with parents and school staff	Some will remain with ECS, depending on nature of contact
Consult with Psychological Services / Head Teachers / ECS senior management regarding SEN pupils and their needs	TEC if directly relevant to transport
Arrange transport and escorts (including relief escorts) for ASN pupils	Involves employment of escorts. Scope for efficiencies when Social Work included.
Handle appeals against refusal to provide school transport	TEC to report to ECS Appeals Committee
ECS functions to remain in ECS	
Determine school transport policy	Advice from TEC
Determine school transport budget	Advice from TEC
Discipline of pupils for behaviour on transport	
Emergency procedures	Where most readily handled by the school
New functions (currently not done)	
Design school transport routes	Not done actively
Monitor school transport contract operation and compliance	

SUMMARY OF PROPOSED STRUCTURE OF TRANSPORT CO-ORDINATION UNIT



OUTLINE CONTENT OF SERVICE LEVEL AGREEMENT

Aims and objectives		
Objective	Comment	Duty for
Effective planning and scheduling of contracts	Aiming for progressive improvement within school sector, and integration with other sectors	TEC
Effective management and reporting of budget	Achieve savings which can be passed back to ECS	TEC
Advise ECS on policy matters	Examples: <ul style="list-style-type: none"> • Address dual zoning, excessive concessionary provision, and other inefficient practices • Scope for improvements outwith TEC remit (e.g. changing school hours) • Improvements in line with legislation / best practice • Review of ASN procedures • Joined-up thinking between statutory transport and school travel plans 	TEC
Specific tasks	Comment	Duty for
Supply pupil data from Phoenix database	Names, addresses, postcodes, ages, schools Specified timescale required	ECS
Compile pupil lists and inform pupils/parents of services	Define procedures and timescales required	TEC
Contract design and procurement	Define timescales required. Will include emergency procedures	TEC
Changes in contract specs	In response to changing numbers or requests from schools. Define procedures e.g. early notification required if school considering change of hours	TEC
Contract monitoring and contract compliance		TEC
Employ escorts		TEC
Disclosure checking of drivers and escorts		TEC
Pupil indiscipline	TEC report to ECS for action. ECS will be responsible for disciplinary actions.	TEC/ECS
Preparation of reports on school transport appeals	ECS Transport Appeals Sub-committee will still meet	
Special needs provision	Service provisions Risk assessments Communications: who needs to be involved	TEC