

**BRISTOL CITY COUNCIL
CABINET**

13th March 2008

**Report of: Director of Planning, Transport and Sustainable
Development**

Title: Non-Conventional Passenger Transport Review: Next Steps

Ward: Citywide

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Sustainable Development

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RECOMMENDATION

It is recommended:

- i) That the proposals emerging from the Non-conventional Passenger Transport Review described in this report are agreed in principle,
- ii) That a Project Board be established to deliver the early wins and medium term solutions.
- iii) Associated operational review work is undertaken urgently, in parallel, in ACC and CYPS.

Summary

1. The Non-Conventional Passenger Transport (NCPT) Review covers home to school transport, adult community care transport, community transport, taxis and some supported local bus services, in the context of present funding pressures and the anticipated future budget scenario.
2. The review has considered how the co-ordination, procurement and provision of "Non-conventional" passenger transport serves the city, with a view to improving efficiency and delivering improvements for service users.
3. A consultants' study has identified some issues that require further investigation and has made several recommendations, some of which

can be implemented in the short term and others in the medium to long term.

4. To take the NCPT Review forward, it is proposed that a Corporate Project Board be established, that engages in regular dialogue with the relevant Executive Members and service providers.

The significant issues in the report are:

- A series of early wins are recommended for implementation now (see paragraph 16)
- The establishment of an ITU is recommended as a medium term goal (see paragraph 17)
- The development of the third sector as a main provider of NCPT services is also recommended as a medium term goal (see paragraph 18)
- The short and medium term measures have the potential to deliver significant efficiency improvements, thereby enabling improved services within available resources.
- To oversee the development and implementation of the above, the establishment of a Corporate Project Board is recommended (see paragraph 19)

Policy

5. Improving accessibility to facilities and services across the city is one of the key shared priorities in the Joint Local Transport Plan. In particular, the JLTP focuses on improving accessibility to health, education and employment. The emerging corporate plan priorities of Our City - Ambitious Together and Making a Difference for Older People are predicated on the need to provide a wide range of improving accessible transport services. The NCPT Review provides the opportunity for a step change in the provision of such services by improving efficiency and enhancing value.

Consultation

Internal

6. Adult Community Care

Children and Young People's Services

Contract Services Drivers

Informal consultation meetings have been held with drivers and their trade

union representatives and a copy of the TPi report given to the Union representatives. Some responses have been received which have contained concerns about the future for in-house drivers. We are mindful of the need to manage HR issues with sensitivity, in full accordance with Council procedures accordingly.

External

7. As part of the process of producing their report, consultants TPi have consulted with the third sector providers, namely: Bristol Community Transport, Bristol Dial-a-Ride, CATT (Hartcliffe & Withywood Community Partnership) Lawrence Weston Community Transport, the Mede Sprint and Bristol Shopmobility. TPi also consulted the relevant commercial operators – Buglers, who provide the Easyrider services, and Swift Line Taxis, who provide the Taxi-Sharing service. Council officers and members have an ongoing dialogue with community transport operators about service issues, and the nature of this review.

Context

8. The Non-Conventional Passenger Transport (NCPT) Review covers the majority of passenger transport services that are provided by the City Council. It includes home to school transport, adult community care transport, community transport, taxis and some supported local bus services.
9. The council has a statutory duty to “secure the provision of public passenger transport services as the council considers it appropriate to meet any public transport requirements otherwise not being met”. No criteria are specified, with the council being required to provide those services it considers to be ‘socially necessary’. However, the council’s corporate priorities require good accessibility to services and facilities for all, and a major challenge for the authority is achieve this within existing budgets.
10. The council is required to provide home to school transport where set criteria are met although it can (and does) provide free school transport in excess of the criteria. The Education and Inspections Act 2006 is likely to increase entitlement to free school transport and put further pressure on budgets.
11. The provision of passenger transport is also an essential element of the provision of adult and community care and is of increasing importance with changing care patterns.
12. Meeting the above is costing in excess of £9 million per annum (2007/8) and costs are rising substantially faster than the general rate of inflation.

A further £2 million is spent on extending the operation of daytime commercial services to Sundays, evenings and early mornings. The scope for corporate co-ordination and optimisation of these services has been evident for some time, and following discussions between Executive Members and service Directors, a review process was initiated, with the objective of securing efficiency which would mean significant upward budget pressures could be offset, at the same time as delivering a higher quality service to our customers.

13. The NCPT Review began by analysing the transport services provided in a typical week, to determine vehicle and driver utilisation, passenger numbers and journey patterns. This data formed the basis of a more detailed study commissioned from consultants TPI, who were asked to consider two issues:
 - Whether there is a case for establishing an Integrated Transport Unit (ITU) to manage the procurement of transport services corporately; and
 - Whether the supply of transport should be provided by the Council, the third sector, the private sector or a combination of these.

14. TPI have identified the following issues, and then made a number of recommendations. The issues were:
 - 33 out of 41 vehicles in the BCS fleet are considered in need of replacement. A decision is urgently required on the future of transport provision if existing services are to be maintained.
 - Customer needs are poorly understood; whilst there are clear strategic policies, individual needs are not known.
 - There is a need for a common operating or scheduling IT system.
 - The consultant suggests that the biggest contribution to reducing upward pressure on budgets could be obtained through a further review of CYPs policies. These are considered to be costly, particularly in the case of special needs transport with a number of solo and out of city placements. A significant body of work has already been undertaken in tackling this issue, but further potential remains.
 - Community Transport is aimed primarily at the elderly and mobility impaired with the majority of transport provided only during the working day with an emphasis on shopping and health. There is next to no evening or weekend provision and coverage across the city is also inconsistent. There is also a need to better understand the mobility requirements of younger people who may be potential service users.
 - The inability of third sector providers to pick up BCC contracts, particularly where there is a reliance on volunteers rather than paid staff.

- Vehicle utilisation is variable; for example some vehicles at day centres are only used for just over an hour a day (although others are better used). Similarly a number of home to school vehicles are not used between school runs.
- The peak period for providers is mid afternoon when schools finish.

Conclusions

15. Officers and Executive Members have considered the consultants recommendations (and have also taken into account views and information from other stakeholders, a process which we intend to continue), which are split into early wins that can be addressed now and medium term solutions that will take up to two years to implement, as follows:

16. *Early Wins*

- Closer working between BCS and Bristol Dial a Ride to exploit the synergy of operation and more fully utilise vehicles; this is already happening with BDAR running 3 CYPs routes and BCS providing 30 hours dial a ride services a week. Early results are encouraging.
- ACC to release lease vehicles to BCS to replace life expired vehicles and optimise vehicle utilisation. This is only feasible with the 10 fully accessible vehicles (out of the total of 28 ACC lease vehicles). The day centres would have to 'spot hire' vehicles instead, which would inevitably result in the loss of some flexibility.
- Greater use of taxis in lieu of dial a ride provision (although there is a major issue about the quality of service and checks would be required).
- Develop robust Service Level Agreements (SLAs) between client departments and BCS.

Medium Term Solutions

- Achieve the most cost effective balance between taxi, community transport and other providers.
- Changing journey times to match vehicle availability where this does not impact on service users unduly. ACC have expressed an interest in this in relation to day centre hours and the timing of some dial a ride trips could also be amended to fit around school times.
- An Integrated Transport Unit (ITU) be established to oversee the planning and procurement of NCPT services on behalf of the council and to deliver optimum efficiency by matching demand against supply (including community transport, taxis and other providers). There are

several potential locations for such a unit which will need to be further explored. An ITU could provide a single number and point of contact for users of community transport in Bristol, although TPI recommend that local contacts be retained for the benefit of existing users. As part of establishing such a unit, a common IT routing system will need to be established from amongst the systems currently in use. Homeshoring could also play a part in making the service more accessible at a local level.

- The consultants question the future provision of transport by BCS directly because of relatively low utilisation levels. In the medium term this should cease. Of the 41 vehicles, 27 are in need of replacement (7 have been taken out of service in 2007-8 as they were uneconomic to repair). Replacement of the in house vehicles is not economically justified and non financial reasons such as market moderator and supplier of last resort are no longer valid. However, further work is required on the arrangements for withdrawing from direct provision.
 - The capacity of third sector providers needs to be developed to enable them to compete for work and ensure that the market remains competitive. It is recommended that the community transport groups should come together under a common 'social enterprise' umbrella to open up trading opportunities whilst retaining a degree of distinctiveness for the constituent organisations. There are models nationally that can be considered, and the Council would aim to work with the third sector to enable them to achieve such sustainability as quickly as possible.
 - CYPs are looking to move away from the direct provision of services (either through the in house fleet or through hired in transport) to a role as a funder and enabler of travel arrangements for those children and young people that it has a statutory duty to support. This ties in with the emerging Sustainable Travel to School Strategy with its emphasis on sustainable modes of travel including walking and use of public transport.
- 17.** To develop and oversee the implementation of the early wins and medium term solutions, it is proposed that a Corporate Project Board be established. The Board will oversee and drive the:
- a) implementation of the early wins,
 - b) further development of business cases, project programme and capacity needs,
 - c) further investigation into service needs, ITU models, social enterprise structures
 - d) implementation of the medium term solutions, in particular:

- i. Establishment of an integrated Transport Unit
 - ii. Moving away from BCS in house service provision
 - iii. Establishment of a common “Social Enterprise” network of Community Transport providers
18. This is a complex project and will require senior project management and capacity. The Corporate Project Board will include representatives from ACC, CSS, CYPS and PTSD. Support from corporate IT, Legal and HR services will be essential for the success of this project. The overriding priority of the Board will be to deliver improvements in service efficiency and value.
19. Clearly it will be essential, if the overall benefits of this project are to be achieved, that the CYPS and ACC policy review work referred to above is concluded.

Other Options Considered

20. “Do nothing” - If the work undertaken on the NCPT Review to date is not developed further, the only other option is to maintain the status quo. This has been considered, but is not viable due to budgetary pressures, demand for services and the condition of the Contract Services vehicle fleet.

Risk Assessment

21. A risk assessment has been completed for this project and a summary of the major risks is detailed below:
22. The main risks of not agreeing to this course of action are as follows:-
 - Continuing escalation of budgetary pressures
 - BCS fleet will deteriorate to the point where it is unable to provide a service
 - There will be a failure to address the transport needs of customers
23. The main risks of agreeing to this course of action are as follows:-

Staff and Trade Unions will be concerned regarding the future of BCS as a service provider and the effect on morale and motivation may have an adverse impact on service delivery.
24. The action taken to mitigate these risks is:-

Good communication and open and transparent consultation with staff and Trade Unions throughout the project.

Equalities Impact Assessment

- 25.** A full Equalities Impact Assessment will be undertaken for each of the six equalities strands before any changes are made to the delivery of NCPT services. In general terms, the likely impact is as follows:

Women and men – There should be improved services for women and men following the implementation of the recommendations. Anecdotal evidence suggests that women are more likely than men to use CT services, therefore they may benefit more from service improvements.

Racial groups – No specific impact on racial groups has been identified, but everyone should benefit from service improvements.

Disabled people – It is likely that the services available to disabled people will be provided using more modern vehicles. If the third sector forms a social enterprise and becomes more competitive, then a greater variety of services may be available.

LGB – No specific impact has been identified, but there should be benefit from service improvements.

Age – Older people are more likely to be users of CT services and should benefit from more modern vehicles and a greater variety of services. The user needs survey will need to look at extending services to evenings and weekends, which if introduced, would be of particular benefit to younger people.

Faith groups - No specific impact has been identified, but there should be benefit from service improvements.

Legal and Resource Implications

- Legal** To deliver the proposals identified by the Non-Conventional Passenger Transport Review legal advice will need to be obtained on the following issues:
1. Any procurement that is undertaken in respect of goods equipment or services to deliver the proposals identified by the report or the project board will need to comply with the Council's financial regulations and procurement procedures - this should only be undertaken with appropriate and timely legal advice.
 2. In respect of any proposals involving council services for the provision of transportation of passengers, legal advice must be taken to ensure that the relevant licensing requirements are met.

3. In working with any groups or organisations to integrate the provision of services, care must be taken not to involve the Council in any anti-competitive practices that could amount to unlawful state aid: detailed legal advice must be taken on any proposals that are considered by the project board in this regard.

***Legal advice given by: Joanne Mansfield,
Principal Solicitor***

Financial

Revenue The proposed project work will be undertaken within existing resources.

Capital

Financial advice given by: Carew Reynell, Director of Central Support Services

Land None

Personnel Maintaining the status quo would result in the prolonging of the current state of uncertainty amongst the workgroup in Contract Services (42 FTE drivers), about which the trade unions have already raised their concerns. The establishment of a Corporate Project Board with clear outputs and timescales would allow management and HR to plan ahead and address the employee relations issues arising in a methodical way, including consideration of whether TUPE would apply if outsourcing is appropriate. The position in respect of TUPE is unclear, particularly if the externalisation process is unplanned & piecemeal.

Appendices: None

ACCESS TO INFORMATION

Background Papers:

None.