

OVERVIEW AND SCRUTINY MANAGEMENT COMMITTEE

16th MARCH 2005

ENVIRONMENT ADVISORY PANEL

23rd MARCH 2005

CABINET

15th APRIL 2005

PASSENGER TRANSPORT BEST VALUE REVIEW PHASE 2b**Purpose of Report**

1. To report on the final outcome of the Review of the Passenger Transport Service and to seek Cabinet approval of the recommendations and Action Plan.

Background

2. The County Council has been preparing for a planned Whole Service Inspection (WSI) of Transport, to be carried out by the Audit Commission. This was due to take place in the Spring of 2005. The County Council has now been notified that, owing to changing Government guidelines on external Inspection, this authority, having been assessed as 'Good' in the recent Comprehensive Performance Assessment (CPA), will no longer be inspected.
3. The planned WSI has, however, been a key driver of both this Review and the Best Value Review (BVR) of Highways Management, each of which would have contributed significantly to the required portfolio of evidence. However, the main purpose of these Reviews has been to deliver service improvements. In the absence of the Inspection they will still assist Service Managers in continuing to meet corporate aims and goals, in particular to deliver 'excellent services at an affordable cost.'
4. The findings of each of the BVRs will also help inform the Local Transport Plan (LTP) 2006-2011.
5. An outline programme for this Review is attached at **Appendix 1**. This shows the main areas of work leading to the production of Phase 1 and Phase 2a reports (presented to Cabinet on 21st May and 17th September 2004 respectively). The Phase 1 report suggested the Key Issues for the Review which were agreed by Members. These were:
 - (i) Satisfaction with local bus services and local bus information.
 - (ii) The development of a consultation protocol to better manage community engagement.
 - (iii) The development of an appropriate organisational structure to best deliver the service going forward.

The Phase 2a report sought to build on this and, with the benefit of wide ranging consultation with stakeholders, proposed a number of broad actions to develop the current service specification. These are attached for information at **Appendix 2**.

6. Since the submission of the Phase 2a report further consultation has been carried out via a key stakeholder workshop and a meeting with bus operators. Additionally, a cross-cutting meeting was held involving Managers from Passenger Transport, Transportation Planning, Highways, and also Corporate and Library Services staff responsible for various elements of consultation and research activity to help progress the 'Consultation and Community Engagement' Key Issue.
7. Benchmarking questionnaires were also sent to all County Councils and these have been followed up in a number of cases by either telephone calls or visits. These authorities included Cambridgeshire, Suffolk, Telford and Wrekin, Kent, Warwickshire, Staffordshire, Norfolk and Surrey. (Cambridgeshire, and Telford and Wrekin, are Beacon Councils for passenger transport).

Summary of Best Practice Findings

Results from Best Practice Research and Operators' Meeting

8. The benchmarking survey, and follow up visits and telephone calls, were used as an opportunity to identify 'best practice' in relation to each of the main areas of interest that were identified by stakeholders in Phase 2a as being most relevant to increasing satisfaction with the service. Although the response to the initial survey was disappointing, it did allow some useful comparisons to be made. The two visits to 'Beacon Councils' were also useful in identifying good practice. The operators' meeting deliberately focussed on the two areas of interest – fares and reliability – where partnership with the operators will be necessary in order to make improvements.
9. A summary of the key learning points from this activity is attached as **Appendix 3**. Some of the main findings are as follows:

Satisfaction with local bus services

10. As expected, the operators confirmed that there is no scope for general reductions in fares, and the benchmarking failed to identify any significant initiatives in other authorities. There may however be scope to encourage operators to take a more active approach to marketing those services with the greatest potential for growth and to develop their range of targeted discounts on a 'marketing' basis.
11. Although the evidence base was limited, Wiltshire does appear to have relatively low levels of evening and Sunday bus services, compared with a relatively high level of weekday daytime service. Evening and Sunday services are also under threat in many other counties due to rising costs and budget pressures. The priority given to evening and Sunday services varied, but there appeared to be growing recognition that such services are no longer used exclusively for social and leisure purposes.
12. Improving reliability was seen to be an area where Councils and operators working more closely together could make a difference. Most authorities had introduced bus priority in urban areas, with traffic signal control being seen as offering the most scope where low bus frequencies or limited road space made bus lanes difficult to justify. Improved co-ordination of street works and road closures is also important. Norfolk have an extensive programme of joint monitoring of services with the operators, including commercial as well as supported services, using 'bus tracker' equipment to provide a ready source of data that is used to identify particular problem areas for attention.

13. Although many authorities had experimented with rural transport initiatives, including demand responsive transport and taxi-based schemes, most were struggling to find cost-effective solutions to rural access needs due to the high costs of provision and relatively low passenger use. There was general concern about how the needs identified by the new Accessibility Planning process will be met.

Satisfaction with local bus service information

14. Most authorities were involved in a similar range of activities to Wiltshire, but with a variety of detailed approaches reflecting local circumstances.
15. Where there had been significant increases in bus use or satisfaction, for example in the two Beacon Council areas, this had generally been at least in part due to high profile marketing initiatives, in conjunction with the bus operators, to re-design and actively promote the bus network.

Consultation and community involvement

16. A variety of approaches to involvement at the local level was apparent. Most authorities consult Parish Councils and Members on service changes, although the short timescales that are often involved can make this difficult. Some had set up (or were setting up) Forums at the District or Sub District level, although several respondents questioned how effective or representative such meetings were. Dumfries and Galloway have moved away from 'consultation meetings' to 'drop-in surgeries' which they find more effective in getting bus user feedback.
17. Dumfries and Galloway are also piloting (with Scottish Assembly funding) a more intensive approach to involving local communities, using household surveys to identify volunteers who are willing to get involved in helping to plan local services.

Summary of Consultation Findings

18. The information from benchmarking and the operators' meeting was used to develop a list of 'proposed improvement suggestions' and these were tested at the second Stakeholder Workshop, which was asked to prioritise the various suggestions. The Project Team was also asked to comment on the feasibility, desirability and impact of the suggestions.
19. Reports of the Stakeholder Workshop, benchmarking survey responses, and benchmarking and Beacon Council follow up visits and telephone calls are available in the **Members' Room**.
20. Key points arising from the Workshop and Project Team are as follows:
 - (i) The highest priority was given by the Stakeholder Workshop to the proposals relating to targeted fares discounts; identifying locations where bus priority could be introduced using signal priority; and various information/marketing proposals ('awareness raising' activities; network or route marketing initiatives; improved bus stop information displays; a 'how to use the bus' leaflet; a published list of current information; and website improvements).
 - (ii) Medium priority was given to developing a countywide off-peak discount card for young people; partnerships with operators to monitor bus service reliability and develop joint improvement plans; producing quality area timetable booklets; and piloting an 'integrated network approach' in a selected area.

- (iii) Lower priority was given to increasing the resource for monitoring contract compliance; developing a pilot to integrate public, social care and health transport; and piloting a 'hub' approach to integrating community and other transport. (This would involve setting up a central point of contact in a town to co-ordinate provision of community transport in the area and provide information on all types of transport provision).
- (iv) The Project Team were broadly in agreement with the proposed improvement suggestions, and with the priorities agreed by the Stakeholder Workshop. The 'external challengers' on the Team did however comment that investigating a young persons' discount scheme should be a high priority in view of the concerns frequently expressed by young people about bus fares.
- (v) In relation to evening and Sunday services, the Stakeholder Workshop concluded that whilst prioritisation by journey purpose was accepted, recognition was needed that due to social changes, work and shopping trips are now often made outside 'traditional' working hours. Where evening and Sunday services are used for these purposes, they should therefore be accorded higher priority. The Project Team agreed, and suggested that services should be supported where they were being well used. There should also be flexibility within the criteria to allow support for services meeting the social and leisure needs of young people if they were well used. It was suggested that Wiltshire should not abandon its pragmatic 'traditional approach' of experimenting with new services where there was evidence they would be well used, in favour of a target-led approach to determining service levels (eg providing services where they would meet pre-determined criteria based on population levels or theoretical measurements of need). There was concern that the latter might lead to established services being withdrawn in favour of new routes that may prove not to be well used in practice.
- (vi) The Stakeholder Workshop was also asked to consider approaches to consultation and community involvement, and expressed a preference for using the available resources for direct needs research, such as surveys and drop in surgeries, rather than establishing regular meetings with local community representatives. The view was expressed that the quality of feedback from such meetings would probably be variable, and that if resources were limited they would be better used in seeking direct user feedback and developing a wider 'evidence base'. Consultation could be carried out by written requests through local Councils and other existing networks.

Review of Implementation of 2000 Consultancy Review

21. In preparation for an eventual Best Value Review, a review of passenger transport provision within Environmental Services was carried out in 2000 by Hutchinson Vickers Consultancy and Wiltshire County Council Management Services. The report recommended a series of measures to help the service deliver 'best value', including changes to the structure and resources of the Passenger Transport Unit. The extent to which the recommendations of this review have since been implemented, and the outcomes, have been evaluated to inform the current Review, in particular in respect of the key issue of the development of an appropriate organisational structure to best deliver the service going forward.

22. The main issues to emerge from this evaluation are as follows:
- (i) Most of the key recommendations have been successfully implemented, and have contributed to the relatively high levels of stakeholder satisfaction recorded in the Phase 1 BVR surveys.
 - (ii) Others, such as re-starting local consultation meetings with the parish transport representatives, have not been progressed fully due to ongoing resource constraints, and have again been identified as a key issue within the current review.
 - (iii) Since the 2000 review was implemented there has been further significant growth in the workload of the Unit, and lack of staff capacity is hindering progress in the following areas; policy support (particularly for accessibility planning), publicity production, public transport consultation, contract compliance monitoring, entitlement policy support and project management. There is also a need for improved procurement and contract management expertise within the Unit given the large number of contracts in which it is involved.

Proposed Improvements

23. The actions proposed to improve the service in relation to the agreed Key Issues are contained within the Action Plan attached as **Appendix 4**. These are closely based on the 'proposed improvement suggestions' discussed by the Stakeholder Workshop and Project Team. Some key points in relation to the Plan are outlined below.

Satisfaction with local bus services

24. Actions are proposed relating to fares; a review of the priority given to evening and Sunday services; improving reliability; experimenting with alternative ways of providing services in rural areas; and developing better benchmarking comparators. None represent major changes to the current service specification, and the Stakeholder Workshop and Project Team were both of the view that what is needed is a 'tweaking' of current priorities rather than a major change. However, several actions could require significant additional resource if pursued energetically, and some of the others will require staff time which at present is not available within the Unit without reducing or ceasing other activities. It is significant that neither of the Stakeholder Workshops have been able to identify any areas of current activity that they would be prepared to see reduced to allow new activity to occur.
25. Several of the proposed actions will be dependent on the co-operation of the operators, for example their willingness to take financial risks with marketing and fares initiatives, and to share sensitive data on their operating reliability.

Satisfaction with local bus service information

26. The Review consultations have supported the actions already contained within the Bus Information Strategy that was adopted by the Council in 2003. The main issue for the Action Plan is therefore to make sure that the resources are available to allow this to be implemented; progress to date has been limited due to lack of staff time for improving the quality of the Council's existing publicity material, and to develop more active partnerships with the operators.

Consultation and Community Involvement

27. Two strands of activity are proposed. The first is to develop the most effective methods, within existing resources, of systematically gathering information on need and feedback on services, and of consulting on bus service changes. This is likely to focus on written communication with local Councils and through other existing networks (e.g. community planning), plus 'direct research' through (for example) surveys and 'bus surgeries'. The second is to carry out a thorough evaluation of the costs and benefits of a more proactive involvement of the community, to inform a decision about how the additional resources needed for such an approach could be raised, and whether they would be justified.

Development of an Appropriate Organisational Structure to Best Deliver the Service going forward

28. If the Action Plan is to be delivered it will be vital to ensure that the resources are available to let this happen. The evaluation of the 2000 review suggests that there are also a number of other areas within the Unit where the existing service specification is not being adequately delivered due to staff resource constraints, which have arisen due to the continuing growth in the workload of the Unit. The Review consultations have failed to identify any areas of activity which could be reduced or ceased to allow re-allocation of resources. The Passenger Transport Unit is currently being reviewed as part of Phase 3 of the Corporate Business Process Re-engineering (BPR) programme, and the final report is due in May/June 2005. The BPR brief focuses on the public-facing elements of the service and so its recommendations are unlikely to significantly interact with the Best Value recommendations which relate primarily to policy development and implementation. However, the outcome of the BPR exercise may also have implications for the structure of the Unit. Approval is therefore sought, subject to the outcome of the BPR review, for making a bid in the Medium Term Financial Plan for additional staff as set out in the Action Plan.

Main Considerations for the Council

29. This Best Value Review, together with that of Highways Management, will provide valuable evidence of achievement and ambition in support of future CPA assessments. This latter consideration will be particularly important as it will impact on the Council's success in attracting Government funding as well as further operational freedoms and flexibilities.
30. The recommendations of the Review will contribute towards the achievement of several of the Council's corporate goals and aims and also to the achievement of the Government's 'Shared Priorities'. The contribution of each of the key themes in the Action Plan to both of these is summarised in **Appendix 5**.

31. The recommendations, if fully adopted, will also drive improvements in several Key Performance Indicators for which revised targets are set out below.

Indicator	Current Performance	Revised Target	Comment
Bus patronage (BV102)	8.76 million (2003-04)	9.63 million (2010-11)	Current target 9.29 million (2010-11)
Satisfaction with bus services (BV104)	66% (2003)	75% (2009)	
Satisfaction with bus service information (BV103)	60% (2003)	75% (2009)	
Bus punctuality (LTP 5)	Baseline to be established	90% punctuality by 2012-13	New mandatory target for LTP 2

32. The Best Value Review has focused primarily on improving stakeholder satisfaction with the service through identification of best practice and changes to priorities and policies. Consideration of businesses processes has been deferred in the main to the BPR review which will take place during Spring-Summer 2005. This BPR review will propose measures to improve both the customer interface and the efficiency of service delivery. These will contribute to the efficiency savings required by the Gershon report.

Environmental Impact of the Proposal

33. The improvements are intended to improve satisfaction with, and use of, public transport which will have a positive impact on the environment.

Risk Assessment

34. Much of this Review will impact on the development (and success) of the second LTP. Credibility with a wide range of stakeholders is also compromised if the recommendations are not progressed.

Financial Implications

35. These are detailed by individual actions within the Action Plan and summarised in the **Table** below.

Funding to be sought through Medium Term Financial Plan for 2006-09

COST	RESOURCE	REF. NO. IN ACTION PLAN	DETAILS
Dependent on recommendation	Revenue funding	3(b)	Consider levels of financial support for evening and Sunday services
£15,000 (estimated) (one-off)	Revenue funding	8(b)	Study to investigate feasibility of extending 'joint improvement plan' pilot to other commercial operators and supported services
£9,500 per annum	0.5 FTE staff (Bus Monitor Sc 3/4)	9	Additional Bus Monitor for contract compliance checks
£18,900 per annum	1.0 FTE staff (Publicity Assistant Sc 3/4)	14	Additional staff to allow effective implementation of Bus Information Strategy
£20,000 per annum (estimated)	Revenue funding	15	Programme of 'awareness raising' activities to improve knowledge of bus service availability
£10,000 (estimated) (one-off)	IT provision	17(a)	Software to improve production of bus stop timetable displays
£34,200 per annum	1.0 FTE staff (Procurement and Contracts Assistance) (PO5-8?)	30(a)	Assistance with procurement and contracts and performance management in Passenger Transport Unit

36. In addition to the direct financial implications in the above table, the Action Plan proposes investigation or evaluation of other possible service improvements. These include:

- a study of extending the proposed pilot 'joint punctuality improvement plan' approach
- an investigation of the scope to apply an 'integrated bus network' approach
- an evaluation of the costs and benefits of a more proactive approach to community involvement.

If there are financial implications arising from these they will be reported separately to Members at a later stage.

Options Considered

37. The options considered are:

- (i) Cease to provide the service. This is not viable. Much of the service, particularly the provision of home to school transport, is statutory in nature. Additionally, other services, such as DACS, require this service to meet their statutory obligations. Furthermore, extensive consultation has shown that the provision of Passenger Transport is one of the most in demand services provided by the County Council.

- (ii) Amend the current service specification to give greater priority to work related to fares, reliability and publicity and information, and to implement a range of actions (as outlined in the Action Plan) to improve public satisfaction, consultation and delivery of the service.

Reasons for Proposal

- 38. The County Council's Best Value Review process requires Members to approve the final report and Action Plan prior to implementation of the recommendations by officers.

Proposal

- 39. That the Cabinet approves the proposed Action Plan for the Passenger Transport Service.

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The following unpublished documents have been relied on in the preparation of this Report:

- Benchmarking Survey results
- Notes of follow up visits and telephone calls (including to Beacon Councils)
- Note of cross-cutting meeting on consultation and community engagement
- Note of bus operators' meeting
- Note of second Stakeholder Workshop
- Notes of Project Team meetings
- Review of outcomes of 2000 Consultancy Review