

CHESHIRE EAST COUNCIL

REPORT TO: ENVIRONMENT AND PROSPERITY SCRUTINY COMMITTEE

Date of Meeting: 14th September 2010
Report of: Head of Regeneration
Subject/Title: Total Transport Programme / ITU Review Update
Portfolio Holder: Councillor Macrae /Councillor Menlove

1.0 Purpose

- 1.1 This report updates the committee on the work undertaken on the Total Transport Transformation Project, and the conclusions from the review of the Integrated Transport Unit transitional Shared Service.
- 1.2 The Committee has previously discussed the approach adopted in relation to Total Transport Transformation programme. In essence, there are 5 strands to the programme:
- Fleet Services
 - Highways Procurement
 - Drafting of the third Local Transport Plan
 - Staff business travel
 - Integrated Transport
- 1.3 This report highlights the key stages that have been reached in relation to each project, and in particular the outcome of the review of the integrated transport transitional shared service. A presentation and question and answer session has been prepared for delivery on the day, as this is an area which is fast-moving and it is felt would benefit from the most up-to-date information being made available directly to members.

2.0 Progress since last meeting

- 2.1 There has been substantial progress in each of the separate strands of the programme since the committee was last updated.
- 2.2 Fleet Services - In relation to fleet services, a detailed baseline has been created setting out the cost, usage and emissions of each vehicle on the fleet. Advisers from the Energy Savings Trust have given

insights into how the Council can help derive efficiencies from the significant cost of fleet transport across the Council. A detailed action plan has been drafted, with costs and benefits of migrating to a more centralised fleet management hierarchy. Finally, the project has identified potential emissions reductions to meet the corporate desire to move toward a more sustainable operating model. Next steps for the project include developing strategic capacity to deliver the ambitious change programme, to assist in the review of the Council's depots, and to commence the targeted replacement of certain vehicles that are proving costly to maintain.

- 2.3 The Highways Procurement project has also made substantial progress. The project issued the advertisement in the Official Journal of the European Union, which is the commencement of the formal procurement process. A great deal of work has been underway to establish a detailed timetable for both the procurement process and the implementation plan; to construct baseline assessments of current assets, staffing and activity; and to develop outline requirements for the new contract.
- 2.4 The Council recently held an open day for prospective bidders, which was both well attended and well received. Since then, the first formal stage of the procurement process – the return of pre-qualification questionnaires that allow the council to reduce the number of potential bidders – has been reached. The Environment Scrutiny Committee will be engaged over the next six months through each stage of the procurement process.
- 2.5 Local Transport Plan - Drafting of the third Local Transport Plan, the first for the Council since its inception, has been taking place throughout the summer. A number of workshops have been held with members, statutory consultees and other stakeholders, and these events have provided valuable feedback to the drafting team. The plan has an overall vision for transport strategy until 2025 contained in the main plan, with a number of “daughter” documents (eg passenger transport strategy) to be produced once the main strategy has been approved by members.
- 2.6 Further sessions are planned for members to be able to provide additional challenge and feedback on the current draft transport plan, with a session planned for the afternoon of the 14 September 2010. If the main strategy is approved, work will then commence on individual daughter documents and the first period implementation plan.
- 2.7 Staff Travel - Work has been underway on the review of staff travel for some time. It is closely linked to the wider work being undertaken to harmonise staff pay and conditions of service. A number of potential options for managing staff travel differently have been identified, but these options have not yet been fully explored. A significant part of the work of this review is to identify ways to prevent staff having to travel in

the first place, and the recent installations of video conference facilities is an example of a relatively cost effective way of reducing staff travel.

- 2.8 The issues relating to the Integrated Transport review are set out in more detail below.

3.0 The background to the Integrated Transport Shared Service review

- 3.1 The Council currently discharges its transport obligations through a Shared Service, jointly delivered with Cheshire West and Chester Council. The Shared Service was established on a transitional basis until 30th September 2010, to enable the two Councils to gain a better understanding of how they may wish to deliver transport over the long term. It was intended at the time it was established that both Councils would jointly review how they may wish to manage transport.
- 3.2 Cheshire West and Chester Council, whilst sympathetic to the need to review the transitional arrangement, were not in a position to jointly commission the review. Instead, Cheshire East Council commissioned and led a review, and agreed to share the outputs with Cheshire West and Chester. That review has now concluded and the results shared with them. A series of recommendations are being developed to present to the Shared Services Joint Committee.

4.0 The review conclusions and recommendations

- 4.1 A significant amount of work has been undertaken to analyse the future transport needs of the council and its residents, what impact these future needs will have on transport management, and what is the most appropriate approach for managing these emerging needs.
- 4.2 In addition to this “vision” approach to understanding what is required from transport management in future, a number of areas of current operation were examined to determine whether existing arrangements were value for money, and whether the current arrangements would be able to deliver the Council’s future plans.
- 4.3 The review team concluded that the current transitional shared service is not the most appropriate means of delivering the Council’s transport aspirations in future. There are a number of reasons why this conclusion has been reached, and these will form part of the presentation to be made to members on the day.
- 4.4 The review team concluded that a continuation or modification of the current shared service is not in Cheshire East Council’s interests. The review team also concluded that the most appropriate model for managing transport would be to establish a Cheshire East Transport Unit, with full delivery responsibility for all transport needs across the council’s area.

- 4.5 A considerable amount of work has gone into constructing an implementation plan for Cheshire East, including an assessment of the likely costs and benefits of moving to a separately managed service should this be the approach agreed by both Councils. Details of this implementation process will also be presented to the meeting.

5.0 Risk Management

- 5.1 Transport is a service where the Council's failure to deliver has immediate and potentially significant impacts on users, and also has a considerable impact on the Council's reputation for service excellence. There are risks attached to making any changes to current arrangements, mainly related to the ability of the transport unit to continue to offer an effective, efficient and safe transport service to residents whilst undertaking a significant change programme. The council's external advisers have been tasked with identifying these risks, suitable mitigation measures, and a detailed implementation programme to deliver expected benefits.

6.0 Access to information

- 6.1 Background papers used in the creation of this report:

"Integrated Transport Service Review
Deliverable 2 – Performance Review
Task Note 2 – High level policy review"

The TAS Partnership Limited May 2010, unpublished

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