



**Open Report on behalf of Andy Gutherson, Executive Director - Place**

Report to:	<b>Highways and Transport Scrutiny Committee</b>
Date:	<b>11 December 2023</b>
Subject:	<b>Transport Quarter 2 Performance Report 2023/24</b>

**Summary:**

The purpose of this report is to provide the Committee with a summary of performance for quarter 2 in relation to passenger transport and the Council's Transport Services.

The Council's integrated service contracts and manages passenger transport on behalf of the Place, Children's Services and Adult Care Directorates and local bus transport – supported routes, fully funded fixed routes and demand responsive routes using the Callconnect service. Transport Services serves the people of Lincolnshire by enabling them to travel in order to access their requirements.

As a local transport authority, the Council has statutory obligations to provide educational travel and social care transport and to secure local bus services where none are provided commercially and which the Council determines socially necessary. Local bus services have been deregulated since the mid -1980s and as such bus companies can operate bus services on a commercial basis.

This report provides an update on the key priorities of Transport Services, which were highlighted in the previous report, including the Educational Travel Transformation Programme.

**Actions Required:**

The Highways and Transport Scrutiny Committee is requested to consider and comment on the detail of the report and recommend any changes or actions to the Executive Member for Highways, Transport and IT.

## **1. Background**

### **1.1 Overview of Lincolnshire's Passenger Transport**

- 1.1.1 The passenger transport industry continues to face numerous pressures, for both bus and taxi suppliers. Driver availability is now less of an issue for public transport

services, but remains significant for educational travel operators. At the current time of writing this report, fuel prices are relatively stable.

1.1.2 The Council's passenger transport supplier market continues to grow, albeit slowly and only with new taxi operators choosing to work with the Council, as opposed to bus operators. The bus operator market in Lincolnshire is not a growing supplier market, and is traditionally formed of locally owned and run family businesses, with the exception of Stagecoach. We now have a total of 375 operators with whom we contract with through our dynamic purchasing system – an increase of 9 taxi operators since the previous quarter and a continuing trajectory of more operators gradually joining the Dynamic Purchasing System.

1.1.3 This quarter is the second phase of the peak for activity surrounding educational travel, in order to ensure the required provision is in place and is effective for the start of the new academic year in September. As at 16 November 2023, the service is transporting 19,000+ educational travel passengers utilising more than 1,800 contracts

1.1.4 The local authority continues to work in partnership with public transport operators to sustain services where possible, and the Council is supporting operators through developing promotional material and undertaking related activity in order to promote bus services and increase patronage levels. Some of the recent activity is listed below:

- Sleaford Into Town service has been extended to serve Greylees whilst also having its frequency boosted;
- The Council is continuing to work in collaboration with Norfolk County Council to support the Interconnect 505 service. Support provided since September has kept the timetable at a 30 minute frequency which, combined with good levels of passenger engagement has seen patronage growth in the service;
- A £2 fare cap has been introduced on Callconnect services to bring this scheme in line with the national strategy. This has proved very popular amongst its passenger base to date;
- The local bus network is now stable compared to the previous 2 years following significant work with our bus operators – the focus is now on how we enhance and develop services across the county, through maximising BSIP+ funding.

## **1.2 Progress on Transport Services' Medium to Long Term Priorities**

1.2.1 Transport Services is working on the following key priorities, in order to maximise opportunities, manage risks and in order to work towards establishing a Lincolnshire passenger transport strategy.

1.2.2 **Transport Services staff restructure** – The current focus for the service is on embedding a high performance culture across the service, including through effective processes and staff training. There remain 10 vacant posts in operations, and these will be recruited to in time – this time of year is not traditionally a positive period for attracting applications. Local authorities across England are similarly finding recruitment a challenge, including in their transport teams – it was a topic

for discussion at a recent conference in November run by the Association of Transport Co-ordinating Officers (ATCO), which brings together local authority officers working in transport.

- 1.2.3 **BSIP+ funding** – Officers are working through plans to maximise the Council's allocation of BSIP+ funding from the Department for Transport, to enhance and develop public transport across the county. This will include improving our bus stop and shelter infrastructure, deploying real time bus arrival / departure signs at key locations as a long term project as well as financial support for routes.
- 1.2.4 **Rollout of an app-based booking system for Callconnect services** – Following the successful trial of an app-based booking system (June '21-May '23), the app is now being rolled out across Lincolnshire. 50% of the counties Callconnect service has now received the app, with the remaining 50% to be completed by the end of March 2024. Services in Boston & Grantham were the latest to receive the app in October and have resulted in excellent take up from residents in the early stages.
- 1.2.5 **Educational Travel Transformation Programme** – the 3 year programme started in October 2021, and significant progress has been made on all of the transformation programme workstreams, with overall objectives being to transform the transport service, make it fit for purpose, and deliver significant cost avoidance of circa £5million. Activity has to date progressed across multiple elements themed into 3 key areas: Efficiencies, performance culture, and shifting the offer. As the service has been developing, transformation activity has become service-wide. There remain key areas for service development, including the following:
- **Cultural shift** continuing, including a focus on customer service, in partnership with the Council's Customer Service Centre (CSC). Staff from the service will be spending time, in person, with colleagues working in the CSC, to build their knowledge on educational travel and to create greater consistency with how customer enquiries are managed and responded to. In addition, overall, the number of complaints has reduced over the past 12 months, following a focus on consistent and clear responses – more detail is included below in this report.
  - **Management information** development and use to drive a high performing service, including through a collaborative dashboard with Children's Services in order to project future trends and impacts – see a separate update below;
  - **Implementation of a new Travel Options function**, enabling and empowering pupils to use alternative travel modes to taxis – from travel training SEN pupils to maximising opportunities for sustainable travel. A development plan is in place and includes collaborative work with Adult Care and Community Wellbeing to support adults with independent travel training, and with Lincolnshire Road Safety Partnership to deliver joint lessons for SEND pupils. Since August 2023, we have successfully travel trained 7 pupils; a further 16 pupils are currently in training, and 40 are on the waiting list. Planning work is underway to promote travel training more widely to increase take up.

Independent travel training has many benefits for all parties involved, including:

- Increased independence is an important outcome for trainees, which can improve confidence and self-esteem and not just with travelling independently – this confidence can transfer into other areas of their lives to help them reach their potential;
  - Young people become less reliant on parent/carers for transport, which can have a positive impact on the whole family environment;
  - It creates more opportunities for young people to take part in social activities and it widens the options for work and volunteering opportunities;
  - Trainees gain essential and transferrable skills that will help them in future to access higher education, work opportunities and social activities.
- **Management of the educational travel budget pressure**, which remains high for 2023/24 – the 3 year procurement plan to contract in geographical areas is the main activity aiming to reduce costs, alongside route optimisation and the Travel Options work noted above. As with all local authorities in England, we continue to focus on managing the cost pressures in educational travel provision, arranging travel provision for 19,000+ pupils per day. Whilst we are seeing contract prices stabilise, they will not reduce; creating a new baseline in the industry and for the Council’s budgets. After November 2023, we have been able to more clearly understand the educational travel budget position for 2023/24.

1.2.6 Two recent published studies commissioned by the County Council Network (CCN) and the Association of Directors of Environment, Economy, Planning and Transport (ADEPT) have identified that Education Travel expenditure is increasing considerably and is not going to reduce in the next few years. This is in line with what the Council has been experiencing, particularly during the previous and current financial year. Transport Services will use the two studies to inform its transformation work, to ensure that all opportunities for cost avoidance are maximised.

1.2.6.1 The CCN study estimates that by 2027/28, national expenditure will be 113% higher than it was in 2018/19. CCN reports this is primarily due to pre-16 Special Educational Needs (SEN) transport. Nationally, there has been a 35% increase in eligible SEN pupils since the Children and Families Act was introduced in 2014. Furthermore, Local Authorities in the CCN have a higher per capita burden of expenditure on Education Travel, than other authorities. Modelling suggests that SEN budgets will continue to increase by 15-20% per year for the next 1-3 years. In addition, the studies note the impact of increased inflation and increases in operating costs on raw materials and wages for the transport industry.

1.2.6.2 Both reports identify that the majority of Local Authorities have embarked on programmes of reviewing current costs – aligned to the 3-year educational travel transformation programme Transport Services is delivering. Some Local Authorities have taken steps to revise their policies in order to reduce costs, resulting in delivering the statutory minimum. However, both reports conclude that no amount

of effective commissioning or other cost avoidance measures will successfully offset the impact of increasing costs. Lincolnshire County Council is already implementing a number of the measures identified in the ADEPT toolkit, including route optimisation, high-cost route reviews and independent travel training and a more in depth review of the toolkit is being undertaken to identify any further opportunities for efficiencies.

1.2.6.3 As a result of the studies, both the CCN and ADEPT are lobbying Government for a change in legislation, appropriate funding and a functioning market and a system that is designed based the needs of children.

1.2.7 **Key performance measures and reporting** – The focus for developing performance measures is currently on educational travel. From a Public Transport perspective, the Council does not have direct control over the commercial network and, as such, developing measures would not be appropriate at this stage.

1.2.4.1 Transport Services manages more than 1,800 contracts with more than 350 suppliers. These contracts are not static, as there are daily changes being made as a result of passenger requirements – this has increased during this year to approximately more than 100 per day and this is one of the reasons that the daily costs of educational travel provision fluctuates. Changes include temporary and permanent changes or addresses, different passenger mixes required following issues within the school environment between pupils, temporary medical needs and new passengers requiring travel provision. Monitoring the effectiveness of these contracts is an important part of service performance. The service inputs into a corporate report on contracts and differentiates between 6 contract types (shown below) and the Red, Amber or Green (RAG) rating status for each is improving, as the contracting environment is stabilising according to the criteria that is set within the report.

- i. Educational Travel - SEND – Red to Amber RAG status
- ii. Educational Travel – Mainstream – Red to Amber RAG status
- iii. Social Care Travel - Children's – Red to Amber RAG status
- iv. Social Care Travel – Adults – Red to Amber RAG status
- v. Tendered Local Bus Transport – Amber to Green RAG status
- vi. Callconnect – Amber to Green RAG status

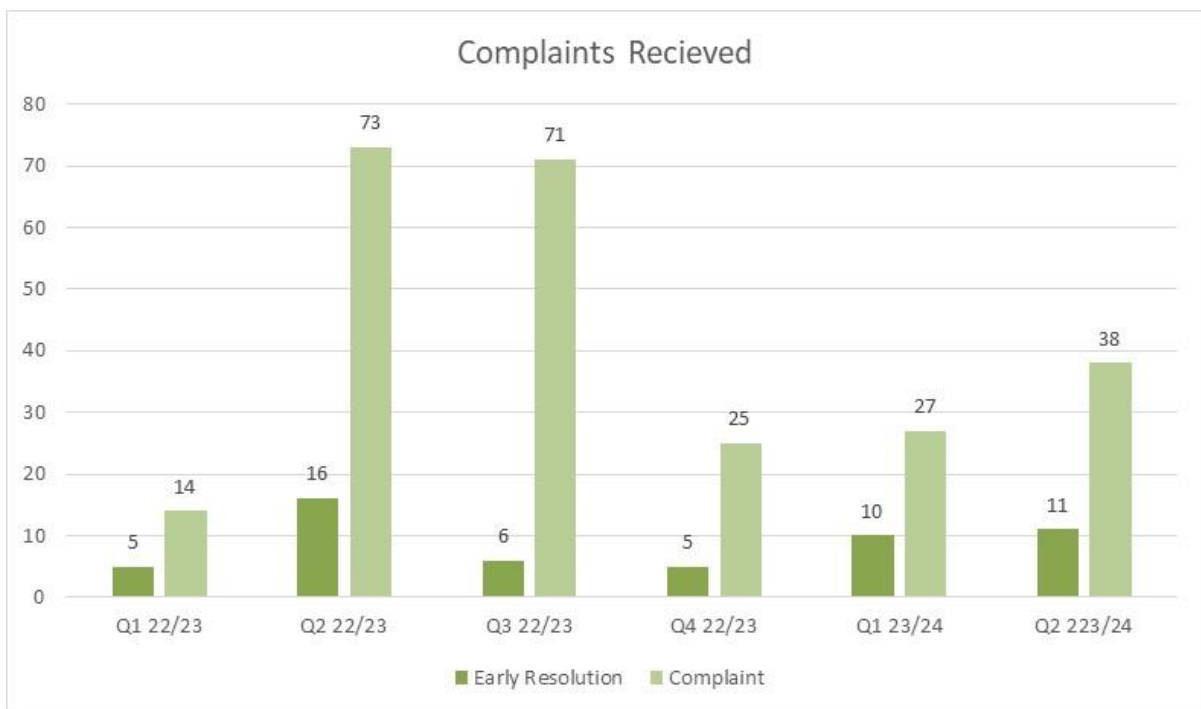
1.2.4.2 As was summarised in the Q1 report at the meeting on 11 September 2023, in order to manage and monitor Education Travel performance, performance measures are being established and a dashboard created. The initial dashboard has been created and was presented to this Committee at the previous meeting. As further developments are achieved, this Committee will be updated.

1.2.4.3 Transport Services received a total of 49 contacts in Quarter 2 of the 2023/2024 year, from individuals wishing to give feedback, report issues or complain about various services. Out of these 49 contacts, 38 entered the formal complaints process and 11 cases were handled as an Early Resolution, which equates to 22% of

all contacts received. Of the 38 formal complaints, 31 cases were educational travel related and 7 were public transport related.

1.2.4.4 Of the 38 complaints which were formally investigated at stage 1 of the complaints process, there were no cases that required escalating to the second stage. Out of the 38 cases, 21 cases were not upheld, 6 were partially upheld and 11 were fully upheld.

1.2.4.5 Transport Services has seen a large decrease in complaints compared to Q2 in 2022/23, which is a positive outcome and following focused activity on preventing complaints through improved effectiveness, providing consistent responses to all complaints and working to resolve as many as possible at the early resolution point. There has been an increase in the number of complaints compared to the previous quarter, which is expected due to Q2 (July to September) being the peak activity period for customer contacts for the service.



## 2. Conclusion

The Highways and Transport Scrutiny Committee is requested to consider and comment on the detail of the report and recommend any changes or actions to the Executive Member for Highways, Transport and IT.

## 3. Consultation

### a) Risks and Impact Analysis

The Transport Services risk register is regularly monitored and managed in accordance with the Council's approach to risk management. The highest scored residual risk is the

negative impact of operating costs and inflationary costs of bus and taxi operators, on the service budget.

#### **4. Background Papers**

No background papers within Section 100D of the Local Government Act 1972 were used in the preparation of this report.

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