



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

Report to:	Highways and Transport Scrutiny Committee
Date:	24 April 2023
Subject:	Transport Quarter 3 Performance Report 2022/23

Summary:

The purpose of this report is to provide the Committee with a summary of performance for quarter 3 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. Whilst there has been a temporary respite on rising fuel costs, the industry expects this to be short term. The national living wage increases take effect in April and driver shortages continue across the industry, which is resulting in reduced resilience in operators' ability to respond to operational issues such as staff sickness. The Department for Transport (DfT) continues to support bus operators financially until the end of June 2023, and patronage levels are still not returning to pre-covid levels with many reporting carrying 65-70% of pre covid numbers. The role of CallConnect in Lincolnshire continues to provide a complementary network in areas of Lincolnshire where fixed, conventional bus services are not viable. Patronage levels on CallConnect have bucked the national trend, with the past 6 months averaging 98% of pre covid levels. The return of passengers, particularly those who are most vulnerable, to CallConnect in such numbers demonstrates that our residents find the service to be a safe and reliable way to travel and remain independent.

1.1.2 As reported to the previous meeting, an adopted Lincolnshire Enhanced Plan and Scheme was considered, providing an opportunity for collaborative and partnership working between bus operators and the Council. The adoption of the plan allows access to future DfT discretionary funding streams for public transport. The partnership group meets on a quarterly basis, and the focus is currently on traffic light priorities and the bus operators agreeing a Passenger Charter.

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 new service-wide staff structure went live on 1 February 2023, which included a new management team, all of whom are internal to the service which is testament to the level of knowledge and skills in the service. There remain circa 16 vacancies predominantly in the operations function, which is the largest team with the most significant volumes of activity. These vacancies will be subject to a second round of recruitment, starting at the end of March. This is a significant amount of resource to be managing without, requiring high levels of flexibility and agility across the service, in addition to prioritisation. Staff remain positive about the new structure and are working collaboratively across the service to build new working relationships and strategic connections.

1.2.3 **Educational Travel Transformation Programme** – the 3 year programme started in October 2021, with the initial focus on educational travel. Significant progress has been made on all of the transformation programme workstreams for educational

travel, with overall objectives being to transform the transport service, make it fit for purpose, and deliver significant cost avoidance of circa £5million per annum. Working with Edge Public Solutions, 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. The success of a new staff structure and the release of previously underutilised expertise across the service, has enabled the Transport Leadership Team to advance ahead of the anticipated position whilst providing the right levels of assurance to the Executive and Corporate Leadership Team.

1.2.3.1 Educational travel focused achievements to date include:

- New Dynamic Purchasing System operational and a 3 year procurement plan being implemented, with supplier engagement and new supplier contracts;
- Cost avoidance of £3.32m as at the end of December 2022 – this figure will be updated at year end;
- End to end process from eligibility to travel provision now in one service, including the transfer of budgets;

1.2.3.2 There remain key areas for service development, including the following:

- Staff structure completed with all vacancies filled and staff continual development embedded;
- Cultural shift continuing, including a focus on customer service, in partnership with the Council's Customer Service Centre;
- 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;
- Implementation of the new Travel Options function, to enabling and empowering pupils to use travel modes alternative to taxis – from travel training SEN pupils to maximising opportunities for sustainable travel;
- Management of the educational travel budget pressure, which remains high for 2023/24 and is higher than 2022/23 for the following reasons:
 - Contract prices continue to increase – whilst tendering is more effective now through the DPS, the prices from the market continue to increase and our ability to control these prices is limited
 - Constant, daily changes to passenger requirements – this averages to approximately 50 per day across the year
 - Constant, daily increases in passenger numbers – for example in November 2022 we had circa 20 new passengers per day being granted eligibility.

1.2.4 **Key performance measures and reporting** – The focus for developing performance measures is 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 1,500+ contracts with more than 300 suppliers. As such, 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 static, however the contract prices and the issues surrounding market capacity mean that the RAG status is either amber or red for all. Transformation activity is underway to mitigate and manage all issues.

- i. Educational Travel - SEND
- ii. Educational Travel – Mainstream
- iii. Social Care Travel - Children's
- iv. Social Care Travel – Adults
- v. Tendered Local Bus Transport
- vi. Call Connect

1.2.4.2 As was summarised in the previous report, in order to manage and monitor Education Travel performance, performance measures are being established and a dashboard created. There has been a delay in creating a Power BI dashboard linking directly to the IMT database system used by Transport Services, and this is planned to be created later this year – a project plan is in development with the Corporate Performance Team, which is supporting the implementation, and this will enable a completion date to be set. The delays have been caused by how the database system is set up, which creates issues with accessing accurate data.

1.2.5 **Category Management Plan for Transport Supplier Market** – As per the previous report, an important part of a passenger transport strategy for Lincolnshire will be a vision and strategy for the transport supplier market the Council needs to meet the needs of residents and visitors. In the medium to longer term, a management and development plan will be established in partnership with transport suppliers, to agree the market required as well as the opportunities and barriers involved. The current focus is to collect data and information from tendering activity, which will inform this piece of work. This priority will not be a key priority until later in the 2023/24.

1.2.6 **Lincolnshire Network Review** – We continue to work with operators to identify future demand levels for bus services and commercial plans for the network in Lincolnshire, as we work towards an integrated passenger transport network. The initial focus has been on contacting schools to collect data and information on travel provision they arrange themselves for their scholars. This information is now being reviewed and analysed to understand the potential opportunities for these passengers to use the commercial bus network. The results will be discussed with operators in May and June 2023, with further engagement with schools planned by the end of the year.

2. Conclusion

2.1 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 two highest scored residual risks are the negative impact of operating costs and inflationary costs of bus and taxi operators, on the service budget; and the inability to recruit and retain employees.

4. Background Papers

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

This report was written by Verity Druce, who can be contacted on 07920 576612 or Verity.Druce@lincolnshire.gov.uk.

This page is intentionally left blank