

NORTH LINCOLNSHIRE COUNCIL

**HIGHWAYS, PLANNING AND ENERGY
CABINET MEMBER**

**TRANSPORT OPERATIONS:
TRANSPORT INNOVATION PARTNERSHIP**

1. OBJECT AND KEY POINTS IN THIS REPORT

- 1.1 To inform the Cabinet Member of work undertaken by the Transport Innovation Partnership (TIP) over the last year, in relation to integrated working arrangements
- 1.2 To consider whether the council benefits from continuing to be part of the TIP.

2. BACKGROUND INFORMATION

- 2.1 The Local Government Group sponsored four strands of work linked directly to innovation and development of transport projects. One of those strands was the creation of an East Riding of Yorkshire Transport Innovation Partnership, which although led by the East Riding of Yorkshire Council (East Riding Council) considered elements of transport provision that spread across the former Humberside area and beyond.
- 2.2 As we were part of that project the Head of Travel Choice was invited to attend the partnership board meetings by the East Riding Council. The partnership project officially started on the 1 April 2008 and is currently expected to finish in its present form on 31 March 2011. Costs associated with the partnership staff and management have always been met by external grant, again administered by the East Riding Council.
- 2.3 Initially the scope of the project was to explore if improved partnership arrangements with York City Council, the East Riding Council, Hull City Council, North East Lincolnshire Council, the Yorkshire Ambulance service and North Lincolnshire Council could secure savings and at the same time improve accessibility issues for customers.
- 2.4 During each year the partnership board has assessed progress to date against agreed actions and sets out objectives for the year ahead. It would be fair to say that the initial scope has changed over the years with the main project last year centred around the partnership between

Hull City Council and East Riding Council in sharing school transport contact arrangements. This is partly down to the willingness of individual participants within the original scope to progress partnership working.

- 2.5 At the last TIP board meeting held in January it was evidenced that the partnership arrangements between the East Riding Council and Hull City Council were delivering efficiencies for both councils. These savings being recognised nationally.
- 2.6 As a result of these successful projects and the possible opportunities still to be explored in relation to partnering with the Ambulance Services, all parties present at the board meeting supported in principle the idea of maintaining the TIP into the next financial year, despite the fact that grant support has now been removed.

The board also agreed in principle to the following work areas for next year

- Analysis of ambulance transport vis-à-vis council transport
 - Explore joint maintenance and procurement opportunities
 - Investigate fleet management opportunities around leases etc.
 - Investigate a regional vehicle hire desk for internal fleet needs.
- 2.8 Proposals to secure funding for the future rely on the assumption that savings will be delivered through work streams and the first call on those savings would be that they support the cost of the unit.

3. OPTIONS FOR CONSIDERATION

- 3.1 The first consideration is whether or not the council needs to continue to support the TIP now that the grant funding has come to an end.
- 3.2 If the council does intend continuing to be a member of the TIP, then is it happy to accept the funding mechanism as set out in Appendix A.

4. ANALYSIS OF OPTIONS

The council's officers who have attended the TIP consider the projects undertaken to date to have been very successful in the areas where implemented. Clearly, however, they have mainly been on the North Bank of the Humber. There is no reason to suggest that the introduction of some of the projects to the south bank would not also return savings and efficiencies.

The wider integration of transport with the Ambulance Service remains, as yet, an unresolved area of possible future savings and efficiency. Retaining the council's involvement through the TIP would ensure we are involved in any developments in this area.

It is estimated that the cost of the partnership for next year will be approximately £61k. Savings have already been made by other

councils during the first two years of the TIP which will continue to cover these costs. North Lincolnshire would therefore only have to pay costs in 2011/12 if any savings were realised. The costs would be proportionate to the size of any savings by other councils and capped collectively for all councils at the total cost of £61k for managing the TIP.

If we were not involved in the TIP then development work on this scale would be difficult to resource. Progressing opportunities would also be much harder without the TIP leverage and support.

5. RESOURCE IMPLICATIONS (FINANCIAL, STAFFING, PROPERTY, IT)

5.1 Finance:

- 5.1.1 The cost of retaining our interest in the TIP is set out in Appendix A. The costs would only be payable once efficiencies have been delivered and would be a proportion of any efficiency savings made. The level of savings made by other partners would also limit any costs attributable to NLC.
- 5.1.2 The member of staff employed to undertake research and co-ordinate shared savings activities is employed directly by the East Riding Council.

6. OTHER IMPLICATIONS (STATUTORY, ENVIRONMENTAL, DIVERSITY, SECTION 17 - CRIME AND DISORDER, RISK AND OTHER)

6.1 Statutory

- 6.1.1 Any statutory responsibility the council has, such as providing elements of bus school travel, is not affected by the TIP arrangements.

6.2 Environmental

- 6.2.1 Transport accounts for approximately 17% of all carbon emissions. Changes to transport arrangements could lead to significant carbon savings as well as financial savings.

6.3 Diversity

- 6.3.1 The TIP would make recommendations for relevant partners to consider prior to any changes being implemented. These recommendations would also contain an assessment of the needs of the end user / customer.

6.4 Risk

- 6.4.1 There is a risk that the TIP will be unable to develop partnership working arrangements within large organisations. The financial

risk with the TIP is set out in such a way as to ensure that no costs are paid until efficiencies are generated.

7.1 OUTCOMES OF CONSULTATION

- 7.1 Consultation with other existing members of the TIP partnership have taken place and indications are that most of the previous members expect to support the continuation of the TIP next year.

8. RECOMMENDATIONS

- 8.1 That the Cabinet Member notes the progress made by the TIP in previous years.
- 8.2 That the Cabinet Member supports the continued involvement of the council with the TIP after March 2011.

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Background Papers used in the preparation of this report: Nil

Appendix 1

Below are a couple of illustrations as to how the partnership funding may be managed.

Example 1 demonstrates only Hull and the East Riding making any savings as a result of the TIP, therefore they are the only partners that contribute to the cost of the TIP unit.

Example 2 demonstrates that NL will have some savings as a result of TIP projects being implemented. In this case NL will also proportionately contribute to the cost of the TIP.

Example 1

Annual staff costs	
£60,980.48	

	Saving delivered 11-12	% overall savings made	% contribution to TIP	Saving kept for council
Hull	£50,000	50%	£30,490	£19,510
North Lincs	£0	0%	£0	£0
North East Lincs	£0	0%	£0	£0
East Riding	£50,000	50%	£30,490	£19,510
	£100,000			£39,020

Example 2

Annual staff costs	
£60,980.48	

	Saving delivered 11-12	% overall savings made	% contribution to TIP	Saving kept for council
Hull	£50,000	40%	£24,392	£25,608
North Lincs	£25,000	20%	£12,196	£12,804
North East Lincs	£0	0%	£0	£0
East Riding	£50,000	40%	£24,392	£25,608
	£125,000			£64,020