



Buckinghamshire County Council Select Committee

Environment, Transport and Locality Services Select Committee

Report to the Environment, Transport and Locality Services Select Committee

Title:	Transport for Buckinghamshire Scrutiny
Committee date:	2 nd September 2014
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Report signed off by Cabinet Member:	Ruth Vigor-Hedderly – Cabinet Member for Transport
Electoral divisions affected:	All

Purpose of Agenda Item

This report updates the committee on the progress on the 12 recommendations raised by the Environmental, Transport and Locality Services Select Committee Inquiry of Transport for Buckinghamshire (December 2013) and following the report to Cabinet in January 2014 and their response to the recommendations

Background

Members of the committee and senior management were keen to review the operation of the TfB contract following feedback on a range of issues. An Inquiry was commissioned in July 2013 with a scope to examine the contract, its delivery and performance. Issues raised by members included communication, performance, contract management by the client, value for money and the role of the Local Area Technician (LAT).

During the inquiry it became clear that there were other reviews running in parallel. Rather than have duplication the inquiry was able to learn from and contribute to these reviews.



In December 2013 the Inquiry findings and recommendations were published. Whilst there were 12 recommendations the main findings focused on:

- The need for long term planning
- The role of Key Performance Indicators (KPI's) in the contract
- The importance of sufficient client capacity and in-house skills
- The need of a further review to ensure "Value for Money"
- Wider learning points from the TfB contract for future BCC contracts with external providers.

In January 2014 the 12 recommendations were presented to Cabinet and 11 were accepted in full or part as shown in the Appendix.

Summary

Appendix 1 lists the 12 recommendations from the Inquiry with comments on the Cabinet views and responses on progress by TfB in the 6 months since the report was published.

It should be noted that in addition to the inquiry a range of work, actions and reports have supported transformation & significant change in moving the TfB service forward (Gate One, TfB Improvement Plan, Customer Journey, Audits etc.). This is wide ranging, looking at structure, functions and culture. Where appropriate they are referenced in the appendix but they will also be raised verbally by Ruth Vigor-Hedderly (Cabinet Member for Transport) and other Officers attending the committee. A new TfB structure chart will be available

Conclusions

Following this report and presentations it is apparent that significant progress has been achieved with the service change and on the 12 recommendations. However, the positive start to the TfB journey must continue, ensuring the benefits the committee, the Council and the residents of Buckinghamshire expect are met.

To that end it is proposed that a further update on the overall Gate One recommendations and subsequent Transformation project is provided in 12 months. This will not only ensure improvements continue within TfB, but also the learning / lessons from externalising a service are shared across the council.

Appendix 1

Recommendation 1:

The committee request to receive updates on the implementation of the following recent/current reviews around TfB operation and perception:

- Quarterly updates on all actions within the external consultant review of TfB and its implementation plan, commencing in February 2014
- Quarterly updates on the internal BCC Communications and Customer Focus review, commencing in February 2014
- An update on the implementation of the new role for Local Area Technicians in

February 2014 with an additional 6 month update on progress (para 11-20).

Response

To a great extent this has now been overtaken by a more radical transformation of the service following the Gate One report. However key aspects from the Improvement Plan, have been built into the change programme. The majority of the original Improvement plan targets have now been achieved with others replaced by more testing change.

The significant amount of work already achieved has been recognised within the Gate One report.

Recommendation 2:

We recommend that the service ensure effective long-term planning (a 4 year plan which

fits with the Council's Medium term plan and budget proposals) to guide the annual planning activity, with particular emphasis on efficiencies, value for money and longer term development of the transport network. The Environment, Transport and Locality Services

Select Committee should receive a written update on any forthcoming long-term plans (para

21-30).

Response

A 4 year plan has been produced and agreed by the Strategic Board in March 2014. The principles have been adopted and it will be updated on a rolling annual basis. It also forms part of the budget cycle process between TfB / BCC, in line with the MTP.

Recommendation 3:

We recommend that all future KPI's evolve to place greater emphasis on long-term

outcomes and improvements and that future setting/amending of KPIs be subject to wider Member involvement to inform the decision making process of the Strategic Management Board. The Cabinet Member should put forward options for this by February 2014 for the Environment, Transport and Locality Services Committee to comment on and agree (para

31-39).

Response

Two Member / Officer Workshops were held earlier in the year. This progress has been subsumed by the Gate One review. Current KPI's will continue through 2014 /15 to ensure appropriate control / challenges of the contract. The new KPI's will fully reflect the transformed business and be implemented in 15/16.

Recommendation 4:

We recommend that KPI figures and values need to be properly audited on an annual basis, for example through internal audit or the client team, in order to ensure that the decision making around payments and extensions is robust. A written report of the findings should go to the Strategic Management Board and also monitored by this select committee

(para31-39).

Response

It is accepted that there will be joint audits by BCC & TfB on an annual basis to ensure appropriate challenge & check to the KPI figures and results.

Recommendation 5:

We recommend that the Cabinet Member for Planning and Transport retains a Member-led

system for road maintenance but: Reviews the definition of Member-led currently used in

the context of prioritising road maintenance to allow for greater flexibility in the approach and, Examines the proportion of budget allocated between local member priorities, and countywide strategic management approach. We request that the Cabinet Member commission a report on this topic, referencing national practice, and further options for road

maintenance prioritising (para 40-44).

Response

The Cabinet Member welcomes the Select Committee's support for retaining a member-led system for road maintenance as promoted by the Leader. The current system was introduced in 2011 and made road maintenance and resurfacing one of the County Council's top priorities. The Cabinet will continue to review the effectiveness of the Council's investment in strategic road maintenance, including the member-led programme, on a regular basis, and will discuss any proposals for change with the Select Committee as appropriate.

Recommendation 6:

We recommend that at least two BCC elected Members are re-appointed to the Strategic Management Board (or an alternative Member involvement option) in order to strengthen democratic representation, as recommended by the 2011 TfB scrutiny review (para 45-54).

Response

The Cabinet Member for Transport accepts the principle of increasing member representation on the Strategic Board to two. This change took place from the March 2014 Board.

The current Terms of Reference for the Board allow the Board to invite additional members. It is important however that the effectiveness of the Board is not diminished by it becoming too large and that it retains an appropriate balance between representatives of the service provider and client.

Recommendation 7:

We recommend that the Strategic Client function should be sufficiently resourced to ensure the necessary client capacity and in-house skills are in place so that the client can effectively manage the contract and provide robust check and challenge of delivery (para 55-59).

Response

As part of the Gate One Review new organisational structures and resourcing of both the Service Provider and Client side of the Alliance are being progressed. Interim arrangements to strengthen the client have been put in place pending Future Shape restructuring.

Recommendation 8:

We recommend that the TfB report for the Strategic Management Board on the approval of the yearly contract extensions be circulated to the Environment, Transport and Locality Service Select Committee in order to inform the decision making process of the Strategic

Management Board on the approval of contract extensions (para. 60-65).

Response

The issue of contract extensions and how they are managed form part of the current review.

This recommendation though was not accepted by Cabinet.

Recommendation 9:

We recommend that a schedule of areas for financial benchmarking against other Local Authorities be agreed between TfB and the Strategic Client. This should be reviewed annually by the Strategic Management Board to provide clarity over benchmarking activity

to ensure contract compliance and value for money (para 66-69).

Response

The principle of annual benchmarking activity is accepted. Discussions have taken place between Client Officers and Ringway Jacobs on more use of benchmarking in the contract. This is being actively pursued as part of the Transformation process and draft documents are being produced.

Recommendation 10:

We recommend that an external value for money review be undertaken (over the first half of 2014) to ensure and satisfy the client (BCC) that it is getting best value for money from the contract for elected Members and the residents of Buckinghamshire and that the committee receive a briefing on the findings of this review (para70).

Response

The Cabinet Member for Transport would welcome such a review which will add to the Gate One work aimed at improving the contract and is currently in progress. This will take place as part of Transformation. A proposed scope of the review has been developed which focusses on the value for money aspects of the contract. Within this overall context, it is also considered important that the review:

- takes account of the review and audit work done so far any issues arising from these and planned improvements
- addresses both the current situation and the extent to which the benefits expected of the contract at time of tender have been realised over the life of the contract so far.

Ringway Jacobs have been informed of the likelihood of this Value for Money review.

Recommendation 11:

We recommend that the contractual obligation for a year-on-year 3% efficiency saving

should be reviewed to allow for greater opportunity for cumulative and sustainable efficiency savings over a number of years. Alternative options should be drawn up by the

Cabinet Member by the end of the 2013/14 financial year (para 71-72).

Response

We currently apply the 3% contractual efficiency savings. This is contained within the annual Business Plan approval process and is regularly monitored throughout the year. In addition this is supported by Value Plus (a process that identifies and records efficiency savings). Through this process significant improvements have been achieved over the life of the contract, in both cashable and non-cashable savings. Further discussions will take place on this aspect as part of the Transformation process.

Recommendation 12:

We recommend that all learning points from the TfB arrangement to date are used to inform future operation of the Council as it moves to become a commissioning/contracting organisation, in particular: 1) securing providers who are able to work in a democratic

environment, 2) securing providers who can set out how they will meet strategic longer-term

outcomes sought by the client, and 3) the need for a high-level contract management

prepared to use contract clauses to meet requirements (para 73-74).

Response

Gate One have highlighted issues on how the business is structured and operated. The learning achieved from this process will be fed into and assist the authorities Future Shape programme.