APPENDIX 1

Inquiry into Public Service Reform (Strand 3) - Strathclyde Partnership for Transport (SPT) response to call for written evidence

Executive Summary

Regional Transport Partnerships – such as SPT – are the ideal bodies for taking forward the integrated transport (‘shared services’) agenda across transport. Indeed, SPT already does this in many areas such as school transport, supporting socially necessary bus services, integrated ticketing, travel information, project delivery and access to healthcare.

There remain great opportunities for further expansion of the role of RTPs to integrate transport and deliver efficiencies while providing an improved service to the customer. For example, as part of the Clyde Valley Social Transport project, SPT with partners has delivered considerable savings as part of a pilot project and other work which, if rolled out, could deliver significantly more.

In addition, there remain huge opportunities within the access to healthcare and community transport sectors for improved co-ordination and delivery of transport services which SPT is ideally placed to lead on for the west of Scotland as it already has the appropriate powers.

About Strathclyde Partnership for Transport (SPT)

SPT is the Regional Transport Partnership (and Public Transport Authority (PTA)) for the west of Scotland, established by the Transpor: (Scotland) Act 2005, covering 11 full council areas and part of one other. Regional Transport Partnerships (RTPs) were established by the Transport (Scotland) Act 2005 with the purpose of delivering and co-ordinating transport solutions which were cross-boundary, multi-modal, and partnership focused.

Since its establishment in April 2006, SPT has striven to do this through a variety of policies, projects and initiatives. These include:

- **Plan the regional transport network** – through the statutory Regional Transport Strategy.
- **Promote and deliver projects** – such as Park and Rides (including Croy, the largest in Scotland), and many others, in partnership with our constituent councils and other organisations.
- **Operate the Subway** – carrying 13m passengers a year.
- **Support socially necessary bus services** – for areas where commercial services are not viable but there is a deemed social need.
- **Provide bus infrastructure** – including Buchanan Bus Station, the largest bus station in Scotland, and Hamilton, East Kilbride and Greenock Bus Stations / Interchanges
- **Provide Demand Responsive Transport** – for those unable to use mainstream public transport, carrying over 500,000 passengers a year.
- **Deliver school transport** – ensuring around 40,000 young people a day get to school safely and securely.
- **Promote sustainable travel** – invested £2m in walking and cycling initiatives over last 3 years.
• **Provide travel information for the public** – with partners, a key member of Traveline Scotland which provides information via the internet for the travelling public.

• **Connect freight** – leading the Strathclyde Freight Quality Partnership, which includes both private and public sector representatives.

• **Develop integrated ticketing** – operating and administering the successful Zonocard multi-modal integrated ticket on behalf of operators.

• **Address transport affordability** – operating and administering the Strathclyde Concessionary Travel Scheme, which provides discounted travel for those eligible on rail, ferry and the Subway, and is complementary to the National Concessionary Travel Scheme.

• **Make journeys safer** – for example, two British Transport Police permanently stationed within the Subway environs.

• **Improving access to healthcare** – for example, by providing personalised journey information for those accessing Gartnavel Hospital.

• **Developing Community Transport** – established a West of Scotland Network to improve the co-ordination, enhance the quality and make better use of resources in this vital sector.

SPT has also worked with partners to develop new projects for implementation. The main projects currently being delivered include:

• **Subway Modernisation** – modernisation of the Subway network in Glasgow, including stations, rolling stock, track, signalling, and working practices. This project is well underway, with the first modernised station, Hillhead, completed in September 2012.

• **Smartcard ticketing** – implementation of a smartcard ticketing system on the Subway, with plans to roll this out to other modes – based on the successful Zonocard model – in future.

• **Fastlink** – a bus rapid transit system, with the core scheme being a route to the New South Glasgow Hospital, due to complete in 2015.

• **A Step-change for Bus** – a range of policy and project initiatives to deliver significant improvements for bus services, standards and infrastructure. Recent developments have included the completion of Hamilton Interchange and Greenock Bus Station.

**General Comments**

SPT, with partners, has actively pursued an integrated approach to transport – the ‘shared services’ agenda – in line with both the Arbuthnott report\(^1\) on shared services within the Clyde Valley and the Christie Commission\(^2\) into the future delivery of public services. The former emphasised the need for closer working between local authorities to create a better integrated social transport and fleet management service, while the latter stated that unless Scotland embraces a radical, new, collaborative culture throughout its public services, both budgets and provision will buckle under the strain and that the public services are often fragmented, complex and opaque, hampering the joint working between organisations.

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\(^1\) Arbuthnott Report on Shared Services in the Clyde Valley, 2010

\(^2\) Christie Commission on the Future Delivery of Public Services, 2011
The Audit Scotland report, Transport for Health\(^3\), further emphasised the need for greater cooperation between all partners to ensure effective transport provision for those accessing healthcare. In particular, Audit Scotland cited poor information about services and uncoordinated arrangements meaning there is a risk that people in Scotland are not getting the health and social care transport services they need. Audit Scotland outlined that badly planned transport results in unnecessary journeys, missed or late appointments, people staying in hospital longer than they need and a reliance on unplanned options such as taxis.

In particular, Audit Scotland found that:

> “Joint working across the public sector and with voluntary and private providers is crucial for the successful and sustainable development of transport for health and social care. Improved joint planning could lead to more efficient services. There is scope to save money by better planning and management of transport for health and social care without affecting quality. Pilot projects show scope for efficiencies but these lessons have not been applied across Scotland.”

And called on stakeholders to:

> “Integrate or share services where this represents more efficient use of resources and better services for users, including considering an integrated scheduling system.”

Some time before the Audit Scotland Report, a Short Life Working Group involving the NHS, Regional Transport Partnerships, local authorities and others was set up to consider ways to improve the situation. Current proposals for the integration of health and social care and refreshed Guidance on Single Outcome Agreements provide further impetus to join up services and budgets including those for transport.

Building on the above, particularly the Arbuthnott Report, SPT, in partnership with councils in the Clyde Valley area, has sought to maximise the use of existing fleets, improve the scheduling of services, and reduce spend on taxi journeys, always with a view to ensuring a better service is delivered for customers using social work and education transport services. In partnership with Glasgow City Council, analysis carried out by SPT identified significant savings if a fully integrated approach to the delivery of these services was put into practice.

So far, work within the Clyde Valley has culminated in a pilot project with Glasgow City Council, which has delivered savings at schools in Glasgow and is to be expanded over the coming year. This has been delivered through improved bus scheduling and rostering via SPT’s state of the art Demand Responsive Transport Contact Centre which covers Strathclyde, and has the potential to serve all Scotland.

Making use of this system, and utilising adaptable buses, SPT has also delivered savings of 42% - for Glasgow City Council’s Social Work department which provides transport services for many community groups. Furthermore, SPT is currently working with six local authorities - East Dunbartonshire, West Dunbartonshire, Renfrewshire, Inverclyde, East Renfrewshire and North Lanarkshire - to identify potential resource savings and efficiencies for each council through the

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3 Audit Scotland, Transport for Health and Social Care, 2011
scheduling of their current transport for Social Work and Assisted Special Needs Education transport, and is exploring opportunities with the NHS and Scottish Ambulance Service to deliver improved transport for healthcare services.

SPT will continue to work closely with the Scottish Government, Transport Scotland, NHS, the Scottish Ambulance Service, local authorities, Community Transport groups and other partners to make access to healthcare, education and social transport as joined-up, integrated and responsive as possible. SPT has the expertise to deliver improved coordination of transport for these services and our investment in modern adaptable buses, contact centre facilities and state of the art scheduling facilities, which can meet the needs of these client groups, is a model of flexible working and a shared service approach.

**Responses to specific questions:**

*What are local authorities doing or considering doing in terms of alternative delivery methods? What has worked and what hasn’t? What savings have been achieved from adopting alternative delivery methods? What support is being provided by the Government in driving change?*

As noted above, progress within the Clyde Valley has been made with regard to taking an integrated approach to the delivery of integrated transport through the Clyde Valley Social Transport project, and SPT work for Glasgow City Council (GCC) Social Work on transport for community groups.

Regarding the GCC Social Work example, rescheduling made use of surplus capacity and maximised the availability of Community Transport, the end result being the delivery of a better service to local communities. SPT’s work in this area delivered 42% savings through utilisation of its contact centre, scheduling facilities and knowledge / expertise.

It is clear that, to date, local authorities have tried to improve their fleet utilisation. Feedback suggests that local authorities have increased their efficiency in this field from 40% utilisation to 60% through improvements such as term-time driving. These improvements are welcome however, in comparison, a private sector operator would be delivering a ‘wheel turning’ (i.e. utilisation) time of above 95%. Therefore there are significant opportunities for greater efficiency.

A fundamental principle in making integrated transport solutions work is the bus being able to ‘multi-task’. It would be wrong to suggest that the entire fleet should be able to do this – as there will always be a need for vehicles solely dedicated to one client group – however opportunities to further ‘sweat the asset’ will not be realised until a composite vehicle type is introduced which brings both the benefits of a Public Service Vehicle and a welfare bus.

SPT, in its own work on supported services and demand responsive transport, has now purchased 100 of these composite vehicles and has made significant revenue savings as a result, recovering the capital cost within 3-5 years.

Few local authorities make use of computerised scheduling to define a bus’s optimum route and manual scheduling is commonplace. SPT has invested heavily in such technology (GPS-based, real-time scheduling) and evidence based on work done by SPT for local authorities suggests
that 5-10% savings can be achieved using these methods. The parameters for saving could therefore be a minimum of 5%, but could be higher based on the demonstrated savings made for GCC by SPT mentioned above.

The support that the Scottish Government can provide is by leading on adopting alternative delivery methods. For example, the budget and responsibility for delivering non-emergency patient transport lies with the Scottish Ambulance Service. This could be transferred to Regional Transport Partnerships, which would allow the Scottish Ambulance Service to concentrate on emergency transport provision, and through the RTPs, maximise the opportunities available for the integration and co-ordination of health and social care transport.

**How are opportunities for sharing services being identified?**

Within the west of Scotland, the Arbuthnot Report and Christie Commission Review could be seen as the catalyst for a focus on the potential opportunities of a shared service approach. However, as noted above, SPT has always sought to take an integrated approach to transport and, with partners, identify opportunities for delivering savings while providing an improved service. The work undertaken as part of the Clyde Valley Social Transport project has created momentum in examining how councils look at delivering their services, and has demonstrated that savings can be delivered with the opportunity for more if this is rolled out.

The work by Audit Scotland, the Christie Commission, and the Short Life Working Group on Access to Health and Social Care has also clearly demonstrated that a more streamlined, integrated approach to the delivery of transport can and should be taken to deliver savings and a better service.

Community Planning Partnerships have also been a useful forum for generating ideas for integration, streamlining and savings and the recently refreshed SOA Guidance provides further impetus to this approach.

**What is hindering moves toward developing shared and innovative service delivery models? In areas where moves to alternative service delivery models are not being pursued, what efforts are being made to standardise, streamline and simplify existing methods of delivery?**

Naturally, any change in the way a service is delivered can create tension for both the organisations responsible and potentially, the customer. However, in SPT’s experience, such difficulties are not insurmountable provided there is strong leadership, the benefits of change are adequately demonstrated, clear communication and effective liaison is undertaken, and, fundamentally, there is a willingness to change. However, ‘silo’ working still does exist. Furthermore, there are issues in ensuring organisations work together in partnership; for example, in terms of creating a robust governance framework for a partnership project, dovetailing budgets, and overcoming cultural differences between and within organisations. There remain significant underutilised nominal ‘bus’ resources that could make a step-change in filling the service gap increasingly left by the contraction of the commercial market, and increased powers for RTPs to make this resource more effective are now required.

**How are the tensions between potential savings and possible job losses being resolved?**
SPT would highlight that, based on our experience with the Clyde Valley Social Transport pilot project, there is an opportunity to ensure that existing staff resources are fully utilised — thereby protecting and, potentially, creating jobs - while demonstrating savings through reduction in vehicles, fuel costs, utilisation of vehicle downtime and reduction in taxi spend. For example, as noted earlier, while local authorities have increased their fleet utilisation ('wheel turning' time) from 40% to 60%, there remains the opportunity for this to go higher still. There is no fundamental issue regarding job losses as the primary focus for this work is 'sweating the asset'; making better use of existing resources to fill service gaps.

**What legislative barriers are there to developing shared and innovative service delivery models to their full potential?**

SPT’s view is that, with regard to the wider integrated transport (shared services) agenda, provided the will is there, there are few if any legislative barriers to developing and delivering improved service delivery by and between transport partners.

SPT is lobbying for variations to the existing regulatory provisions to improve the co-ordination and delivery of bus services. A summary of these is attached at Appendix A.

For example, there are opportunities for change within the Community Transport sector. Through the establishment of the West of Scotland Community Transport Network, SPT is committed to the full utilisation and co-ordination of the opportunities afforded by this sector in the west of Scotland.

Recent decisions offering BSOG to services operated by Community Transport groups and changes in powers of Community Transport Providers under the Local Transport Act 2008 (payment to drivers) are likely to encourage Community Transport groups to register and operate local bus services. Such measures are broadly welcome, especially in more remote areas where conventional bus services are likely to be uneconomic, but concerns exist over the governance and technical proficiency of some groups and the possibility that some registrations may affect the viability of mainstream marginal bus services, leading to their withdrawal.

Operating costs of Community transport, along with overheads are invariably lower than conventional bus services. The maintenance regimes and vehicle standards are less onerous than those expected from the holders of PSV operators licences and often grants towards the purchase of vehicles by councils or other bodies has helped defer costs.

Historically, S. 19 permits – which allow CT operators to provide transport services for a charge without making a profit - have been granted without time limit to groups that may have changed significantly in governance, personnel and ability since the grant. Regulations under the Local Transport Act 2008 imposes a duty on Traffic Commissioners to maintain a database of permits granted and limits the duration of new permits to 5 years.

This enables a periodic quality check to be carried out and therefore will go some way to addressing concerns over quality. Existing permits should be revoked from a given date and re-issued where appropriate, ensuring existing permit-holders are also suitably qualified.

Therefore, SPT's view is that the Traffic Commissioner should consider not accepting local service registrations submitted by Community Transport groups (S. 22 permit holders) unless
the registration is supported by the PTA and the group is registered on the Community Transport database. Additionally, a date should be set for the revocation of all existing Community Bus permits which may then be re-issued subject to application and compliance with minimum quality standards.

Most of the necessary legislation for this proposal is in place. Regulations requiring the Traffic Commissioner to maintain records of permits issued and the time-limited nature of these new permits have already been made. A further regulation does, however, require to be made identifying a date when all previous permits should be revoked. Holders of these permits would then be required to re-apply for time-limited permits. SPT would be willing, on behalf of the Traffic Commissioner for Scotland, to establish and maintain the database of all S.19 and S.22 permits issued.

The principle benefit in this proposal is in raising the quality and safety of community transport provision through the establishment of minimum acceptable standards for community transport, and regular review and monitoring of the proficiency of groups seeking to provide such services.

PTAs, like SPT, see community transport providers as an essential part of the future of public transport provision, especially in times of financial constraint, and improved standards will encourage PTAs to partner these providers in improving services in their areas, further stimulating the community transport market.

The requirement for the Traffic Commissioner to maintain a database of permits issued will assist in the monitoring of the sector, and the revocation of existing permits would necessitate their renewal providing a complete database of all groups.

The increasing likelihood of community transport registering local services does, however, raise concerns that they may in some circumstances compete with mainstream provision. Thus, requiring all S.22 permit holders to have applications to register services endorsed by the PTA should reduce such conflicts.

In what areas is there scope for national shared services along the lines of the shared recruitment portal for local authorities, ‘myjobscotland’?

SPT and partners have already demonstrated the opportunities of a Scotland wide approach through the provision of travel information through the Traveline Scotland initiative (www.travelinescotland.com). Other opportunities do remain however, including for example, the sharing of best practice for transport access to health and social care.

As highlighted earlier, SPT’s Contact Centre and scheduling capabilities are state of the art and SPT has engaged with partners across Scotland to discuss opportunities in this regard. SPT is also, through its work with the West of Scotland Community Transport Forum, and in line with the principles of the Christie Commission, investigating opportunities for the establishment of a ‘public social partnership’ between statutory organisations and the third sector. This would involve these agencies working together and with service users in the redesign of services and the exploration of more efficient methods of delivery for integrated transport for health and social care.
What has been learned from elsewhere, for example Nottingham Early Intervention City or Birmingham total place initiative?

SPT and partners continually monitor best practice across the UK and Europe. Examples of good practice in relation to transport and shared services include the integrated transport model being adopted in Norfolk between the local authority and the NHS trust.

In what ways can innovative delivery methods and collaborative arrangements (as mentioned, for example, in the Christie Commission report) help to improve outcomes and tackle embedded social problems?

Transport, including public transport, plays a vital role in ensuring that people live active and healthy lives, are connected to their family, friends and communities and to the services they need, including education, employment, leisure, training and healthcare. SPT would therefore urge that recognition of the role of transport, and the need to eliminate unnecessary duplication, simplify service delivery, reinforce best practice and encourage closer partnership working between the NHS, RTPs and local authorities to ensure effective, responsive and coordinated transport are vital in improving outcomes and tackling exclusion.

SPT would recommend the establishment of integrated transport hubs, incorporating all partners, led by RTPs unless local circumstances dictate, to deliver a more collaborative and integrated solution to the delivery of health and social care transport in line with the emerging recommendations of the Short Life Working Group on Transport for Healthcare”.

SPT, with partners, has always focused on delivering ‘more for less’; that is, ensuring efficiencies in service delivery are made while improving the end product for the customer.

In what ways are CPPs being involved in driving the move toward new service delivery methods? What is hampering their involvement and how can it be overcome?

CPPs are the ideal forum for discussion around issues relating to ‘shared services’, and SPT has found this useful in trying to take the agenda forward. SPT prepares a ‘Transport Outcome Report’ for each CPP in its area, which details the work carried out by SPT and partners in that area and the contribution made to local and national outcomes. This again provides a useful mechanism for stimulating debate about further opportunities.

However, SPT would highlight that transport, being a derived demand, is often seen as a supporting action in delivering CPP outcomes, and can therefore often be lower down the priority list than other sectors. Therefore, a clearer understanding of the importance of transport in delivering CPP outcomes would be welcomed.
APPENDIX A

Summary of SPT Proposals to seek variations to the existing regulatory provisions to improve the co-ordination and delivery of bus services

- To allow Public Transport Authorities (PTAs) – like SPT - to secure (or provide) bus services where there is clearly a need, even if it may be in conflict with the perceived commercial view of the operator.

- The payment of Bus Service Operators Grant (BSOG) for new or varied registered mileage should only be made where that registration has been confirmed as not operating to the detriment of overall provision in that area.

- Public Transport Authorities should be given powers to require compulsory participation in ticketing schemes that they may introduce in their areas.

- The modifications to provisions on Statutory Quality Partnerships introduced in England and Wales in the Local Transport Act 2008 should also be introduced in Scotland.

- The minimum period a service should operate as registered should be increased to 180 days. In addition, regulations should be made in accordance with S.46 of the Transport (Scotland) Act 2001 restricting dates on which local services may be varied in local areas.

- Consideration should be given to compliance inspectors vehicle inspection engineers employed by PTAs who would be trained and certified to VOSA standards, being given relevant powers equivalent to VOSA officers.

- The Traffic Commissioner should consider not accepting local service registrations submitted by Community Transport groups (S. 22 permit holders) unless the registration is supported by the PTA and the group is registered on the Community Transport database. Additionally, a date should be set for the revocation of all existing Community Bus permits which may then be re-issued subject to application and compliance with minimum quality standards.

- Where a bus operator enjoys an effective monopoly and may be seeking subsidy from the PTA, the PTA should be given access to service cost and revenue figures to satisfy themselves that the operator is not seeking excessive subsidy costs or acting in an anti-competitive manner.

- Electronic Bus Service Registration (EBSR) to become the mandatory format for submitting bus registration particulars by 2014, and that such submissions are not accepted without the PTA acknowledging receipt of such information as prescribed in regulations.