



Leicester  
City Council

**WARDS AFFECTED: All Wards**

**Cabinet**

**24 July 2006**

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A cover report on the investigation by the Operational Transport Working Party, a cross scrutiny Sub-Group of the Council's Resources and Equal Opportunities, Education and Social Services committees in respect of the 2004 Transport Efficiency Review

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## **Report of the Corporate Director of Resources**

### **1 Purpose of Report**

- 1.1 This report is to provide unified officer advice to Cabinet on the recommendations of the Transport Working Group (TWG) report published after the scrutiny investigation of the Transport Efficiency Review.

### **2 Summary**

- 2.1 The Working Party have had a thorough examination of the issues in relation to the 2004 Efficiency Review and the current issues facing the service. This has led to several recommendations being made that the Chair of the Working Group, Councillor Rob Reynolds has asked Cabinet to adopt. The Working Group has designed its recommendations to enable the Council to learn the relevant lessons from both the conduct and delivery of that review. The Working Party have also made recommendations in relation to the future operational effectiveness of the service. The Working Party makes a total of seven recommendations (P8 and 9 in appendix A) that have arisen out of their work.
- 2.2 The Report of the Working Group has already been debated at two Scrutiny Committees (Resources and Corporate Issues and Adults and Community Services). Both endorsed the main recommendations and also made several further recommendations to Cabinet. R&CI Scrutiny asked for Reports of Corporate Directors that were supplied in confidence to the TWG to be made public, the confidentiality being because they dealt with the Council's financial and business affairs at a stage of them being policies in development and work in progress. The final work of the TWG was made public and, indeed the confidential reports have informed the TWG report so there is no apparent need to make them public now. It is for the Cabinet to decide whether to override the confidentiality if it thinks the public benefit outweighs the need for confidentiality over policies in the progress of development.

### **3 Recommendations**

Cabinet are recommended to:

- 3.1 Agree the recommendations in the main report of the Working Group (p8 and 9 Appendix A) subject to the following amendments and additions.

- Recommendation Two – To be applied to significant budget changes as a result of organisational reviews, not all budget changes as some reviews only directly affect single or a few officers and small amounts of budget.
- Recommendation Four – Different parts of the Operational Transport process (and different officers within it) have different informational needs and finding a one size fits all solution will be difficult. Prior to seeking a software solution in the market place Operational Transport should review practices in other local authorities and see how the most cost effective Authorities organise, manage and fulfil their information needs.
- Recommendation Five – The expertise and setting of the standards regarding the Council's duties on 'safeguarding children and adults' is a function of the two client departments (Adults and Community and Children and Young People). These departments need to agree the standards they expect, what activity will then satisfy those standards, setting out the potential financial and other implications. The Corporate Director of Regeneration and Culture will ensure that the required activities are undertaken within the budget made available.
- Recommendation Six – The management and location of Operational Transport is in the same department – Regeneration and Culture. However, two further departments (Adults and Community and Children and Young Peoples') are also closely involved. These departments request all journeys and services from operational transport and have a day-to-day operational relationship with the Transport team. Options on the future location of Operational Transport will be included in the report to Cabinet in September 2006.

3.2 To thank the Working Group for their commitment to this process and to note all of their findings.

3.3 Ask officers in A&CS to explore how they can manage the £700k shortfall in funding for transport without impacting on front line services.

3.4 Finally, the report in September 2006 should include a position statement on the continuing work to find efficiency savings within the Operational Transport Service, using their budget set for 2006/7 as the baseline.

## **4 Financial & Legal Implications**

### *4.1 Financial Implications*

4.1.1 The operational transport function was the main focus of the Transport Efficiency Review, the findings and recommendations from which were reported to Cabinet on May 17, 2004. The report identified £1.5 million of recurrent savings (full year), and also highlighted some non-financial benefits such as the reduction of vehicle emissions and reduced congestion at peak periods. The level of savings identified in the report was reviewed prior to the finalisation of the 2005/06 budget and a reduced sum of £1.0 million p.a. was included in that budget.

4.1.2 It has not been possible to actually demonstrate the extent to which any savings have been achieved, as there is no baseline against which to compare present costs for this purpose. However some costs and charges for 2005/06 have been

higher than before, resulting in budget pressures, particularly within Social Care and Health.

4.1.3 The findings of the Operational Transport Working Party include a recommendation for a strengthening of risk analysis in future reviews as a means to securing a sound basis for planning achievement.

4.1.4 Other key recommendations affecting finance include the need for improvements to the formal reporting of progress on reviews and for improved processes surrounding the acquisition of IT software.

*Mark Noble, Chief Finance Officer; Resources, Ext 7411.*

#### 4.2 *Legal Implications*

4.2.1 Under Part 2, Article 6 of the Council's Constitution, the role of Scrutiny Committees is (among others) to "...as appropriate, make reports and/or recommendations to the full Council, Cabinet or to any committee in connection with the discharge of its functions" and to "consider any matter affecting the area or its inhabitants".

4.2.2 In May 2004 the Council resolved that Scrutiny Committees should experiment with new ways of working. It was further resolved by the Council in July 2004 that certain committees would consider the benefits of working together jointly. This is a good example of how scrutiny can develop their working practices within the existing legal framework. There maybe further legal implications depending on what executive decisions Cabinet decides to take.

*Peter Nicholls, Service Director (Legal Services) Resources, Ext 6309.*

### 5 **Other Implications**

5.1 Consider implications for existing strategies, or policies. Will what you are proposing set a precedent?

OTHER IMPLICATIONS	YES/NO	PARAGRAPH REFERENCES WITHIN SUPPORTING PAPERS
Equal Opportunities		No
Policy		No
Sustainable and Environmental		No
Crime and Disorder		No
Human Rights Act		No
Older People on Low Income		No

### 5.2 **Risk Assessment**

5.2.1 The Working Group identifies risk management weaknesses in the Transport Efficiency Review and includes in its recommendations that a much better focus be given to this aspect of developing and delivering efficiency plans and in ensuring the financial targets within organisational reviews are met.

## **6 Background Papers – Local Government Act 1972**

6.1 The Background papers including minutes of the Working Party meetings are attached in appendix A and B attached to this report.

## **7 Consultations**

<b>Consultee</b>	<b>Date Consulted</b>
Mark Noble	May 2006
Peter Nicholls	May & July 2006
Roy Roberts	July 2006
Tot Brill	July 2006
Tom Stephenson	July 2006
Sally Burton	July 2006
Sheila Lock	July 2006

Appendices A and B were the work of the Policy Unit in consultation with the Members of the Working Party and officers from across the three main departments involved in Transport Services.

## **8 Report Author**

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## **DECISION STATUS**

<b>Key Decision</b>	<b>No</b>
<b>Reason</b>	<b>N/A</b>
<b>Appeared in Forward Plan</b>	<b>N/A</b>
<b>Executive or Council Decision</b>	<b>Executive (Cabinet)</b>