THE EXECUTIVE

9 MARCH 2004

JOINT REPORT FROM THE DIRECTOR OF EDUCATION, ARTS AND LIBRARIES AND THE DIRECTOR OF LEISURE AND ENVIRONMENTAL SERVICES

TRANSFER OF THE PASSENGER TRANSPORT SERVICE TO LEISURE AND ENVIRONMENTAL	FOR DECISION
SERVICE TO LEISURE AND ENVIRONMENTAL SERVICES DEPARTMENT	
SERVICES DEI ARTIMENT	

This report is submitted to the Executive as it will affect the future management of the Passenger Transport Service, bringing it under Leisure and Environmental Services Department (LESD), and this impacts on the strategic management decisions that are part of the Executive's role.

Summary

In accordance with budget reductions for 2004/2005 onwards, it is proposed that Revenue savings could be forthcoming from an amalgamation of transport management. It is also proposed that from 1 April 2004 the responsibility for this service should be transferred from the Director of Education, Arts and Libraries (DEAL) to the Leisure and Environmental Services Department.

Wards Affected: The service operates in all Wards.

Recommendation

The Executive is recommended to approve the amalgamation of Passenger Transport Services (DEAL) with Transport and Waste Services (LESD) with effect from 1 April 2004 and the responsibility for the management of the amalgamated service being transferred to LESD.

Reason

To improve the management structure, improve efficiency and achieve the required budgetary savings.

Contacts: Mike Freeman	Head of Assets and Administration DEAL	Tel: 020 8227 3492 Fax: 020 8227 3274 Minicom: 020 8227 3180 E-mail: mike.freeman@lbbd.gov.uk
Mike Mitchell	Head of Environmental Management LESD	Tel: 020 8227 2677 Fax: 020 8227 2221 Minicom: 020 8227 3034 E-mail: mike.mitchell@lbbd.gov.uk

1. <u>Background</u>

- 1.1 As part of the process for budget reductions for next year 2004/05 and beyond, it is proposed that some Revenue savings could be forthcoming from an amalgamation of transport management. In order to achieve this saving, it will be necessary to bring the management sides together. Currently, for the main part, fleet and the management of the large number of vehicles, including waste and cleansing, is under LESD. It is proposed to maximise the benefits of having a joint management by including within LESD's remit the Passenger Transport Service which currently resides with DEAL.
- 1.2 At the current time, the Passenger Transport Service operates on a Licence held by officers within LESD and there is, therefore, an impetus to bring together the services under a single management structure. It follows, that the officer who currently holds the Licence would have a direct responsibility for service management and overview of operations.

2. Benefits of a Merged Service

- 2.1 The main benefits of bringing together the Passenger Transport Service with other fleet management activities are seen as:
 - integrated management opportunities;
 - there is a certain expertise within LESD around transport issues and support will be more widespread;
 - improved communication between officers running similar services;
 - improved opportunities for shared training;
 - possibility of joint use of resources and reduced vehicle down-time;
 - reassessment of working arrangements.
- 2.2 Some initial discussions have been held with the trade unions to advise them of the proposed changes and no objections have been received. Indeed the TGWU have indicated that they see this as a positive move.
- A meeting was held with staff last year at which staff were informed of the proposals. Further meetings with staff will be held in the lead up to 1 April 2004.

3. Site Issues

3.1 Members will be aware that the current location of the service has been an issue for many years. As a result of the problems identified, the Executive agreed a new location at Creek Road, Barking. This process of relocation has started by visits to inspect the site in conjunction with officers from DEAL and LESD.

4. <u>Service Level Agreements</u>

4.1 For the future it will be imperative that SLAs are in place for the provision of a passenger transport service to Social Services and Education. These SLAs are currently under development.

5. <u>Financial Implications</u>

- There are no financial implications as a result of the transfer of the Passenger Transport Service to LESD. However, new computerised financial monitoring systems will be introduced into the service during the next year, which will enable much more rigorous financial and resource management monitoring to be embedded in the service.
- 5.2 Both Education and Social Services will be able to monitor their expenditure on transport on a monthly basis once these systems are installed. The savings required from the amalgamation of the management of the transport services in 2004/05 (£50,000) will be realised by the more efficient use of vehicles and staff as a result of the new monitoring system that will be installed. Further savings arising out of the more efficient use of resources will follow in 2005/06 once the new control systems have become embedded

6. <u>Consultation</u>

The Management Team and the following have seen this report and have raised no objections. .

Leisure and Environmental Services Department:

Maureen Perkins, Head of Human Resources, LESD Bob Cooper, Interim Head of Finance, LESD Laura Williams, Management Accountant, LESD

Education, Arts and Libraries Department:

Mike Freeman, Head of Administration and Assets, DEAL Gail Clark, Head of Human Resources, DEAL Paul Pearson, Head of Finance, DEAL

Social Servivces Department:

Steve Whitelock, Head of Finance DSS

Corporate Strategy Department:

Hayley Miller - Senior Human Resources Advisor Organisational Development & Employee Relations

Keith Warrior - Employee Relations Officer Organisational Development & Employee Relations.

Trade Unions:

GMB, APEX, TGWU and Unison (consultation is ongoing)

Portfolio Holders:

Councillor Bramley, Safeguarding Children and Young People Councillor Alexander, Better Education and Learning for All Councillor Osbourn, Housing Health and Social Care Councillor Geddes, Deputy Leader Portfolio (finance issues)