

LUTON BOROUGH COUNCIL

BEST VALUE REVIEW OF ENGINEERING AND TRANSPORTATION

STAGE THREE (OPTIONS ANALYSIS) REPORT (DRAFT)

Main report

Full list of Documents

Main Report

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April 2005

**LUTON BOROUGH COUNCIL
BEST VALUE REVIEW OF ENGINEERING AND TRANSPORTATION
STAGE 3 OPTIONS ANALYSIS AND IMPROVEMENT PLAN**

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SECTION 1 INTRODUCTION AND EXECUTIVE SUMMARY

1 Introduction

1.1 The overall aim of the Review is to achieve a significant improvement in the cost and quality of service through step change. The purpose of this Stage 3 Report is to:-

- Develop options for achieving the targets set out in the Vision Report
- Recommend preferred options to Members
- Develop a Service Improvement Plan based on the recommended options and the results of the Minimum Analysis process.

1.2 The source information for this report is:-

- The Challenge and Compete sections of the Vision Report together with Appendices and Background Documentation
- Information on how other local authorities and service providers have improved the service or reduced costs. This information has been obtained from professional journals, best practice guidance, centres of excellence, beacon councils and benchmarking networks
- Results of any business process re-engineering and EFQM analysis.
- Talks with potential partners, both private and public sector.
- Advice from service business consultant, accountant, and Corporate Procurement Unit.

1.3 The scope of the review has been defined by ten key issues, which are set out in Section 2 of this report. These have been modified slightly since the Stage 1 report to provide greater clarity and to take account of issues emerging during the Review which included:-

- Deficiencies in consultation, particularly on Town Centre schemes identified from review of Guildford Street Traffic Scheme
- Deteriorating relations with principal bus operator
- Inconsistency in cost recording and control

1.4 Options have been considered for addressing six of the key issues. The Review concluded that the remaining four key issues could be most effectively dealt with by broadly continuing present policies but with enhanced Vision Targets and minor improvements provided through management action.

1.5 Each of the options relating to each key issue are analysed and evaluated in Section 5 of this report. In each case the potential benefits are listed, together with disbenefits and risks. The financial implications of each option are included, but within the time available it has not been possible

to prepare detailed estimates, so these are expressed in terms of a range or band.

1.6 A recommendation is made in Section 6 setting out a preferred option for each of the key issues and these are summarised as follows:-

- **For improving parking service productivity and effectiveness** the recommended option is Option B (retain in house until April 2006 but review improvement 6 months after this report) whilst at the same time undertaking preparatory work for contracting out. This provides the maximum challenge to the service allowing it a period of 6 months to demonstrate sustainable improvement but to enable a prompt start to tendering if demonstrable improvements were not apparent during this period.
- **For increasing walking and cycling** the recommended option is Option B (Stronger LBC Leadership through Green Travel Plan). Leading by example is crucial to making progress and would enhance the reputation of the Council. The action plan would also include all aspects of Option A (Continue with present programme)
- **For improving road safety and congestion around schools** the recommended option is Option C (Rapid Response Parking Attendants) as this most likely to achieve the desired outcome, can be implemented incrementally, and provides an incentive for schools to complete a school travel plan. This option would also include all aspects of Option A (Continue with present programme)
- **For improving bus service reliability** the recommended option is Option B (Re-invigorate Quality Bus Partnership with Arriva including joint Punctuality Improvement Partnership, shared information and improved enforcement.) Active collaboration with the principal operator is crucial.
- **For increasing user and community satisfaction** the recommended option is Option B (Sustained and fundamental improvement in user and stakeholder engagement, especially in Town Centre Schemes). This option would include all aspects of Option A, particularly an improved complaints management system.
- **For ensuring delivery of capital and revenue programme** the recommended course of action is to pursue Option F (Free standing contract based on Southend documentation) but also to hold further discussions with Hertfordshire County Council on the practicalities of Option D (collaboration with Hertfordshire) particularly in relation to concerns about the relative priority of Luton and Hertfordshire Works.

Both options to be based on the flexible partnership model. Final option to be resolved by 1 August 2005.

SECTION 2 KEY ISSUES FOR THE REVIEW

- 3.1 The key issues for the review are set out below. They take into account the views of users and communities, other stakeholders and the Best Value Scrutiny Panel. They have been modified slightly since the Stage 1 report to provide greater clarity. Key issue 3 has also been modified to include parking congestion around schools as well as safety, as this emerged during the review as a public concern
1. Improve productivity, overall efficiency and effectiveness in parking enforcement to reduce illegal parking and improve highway network efficiency and access
 2. Increase walking and cycling through Green Travel Initiatives, provision of facilities and better safety to improve air quality and community health
 3. Improve road safety and parking congestion around schools through the provision of safety engineering, enforcement and training to reduce levels of actual and perceived risk and to encourage travel by more sustainable modes
 4. Reduce speeding through the use of traffic calming, speed cameras and active signing, to reduce road casualties especially vulnerable users, to reduce real and perceived risks and to improve network efficiency
 5. Improve bus service punctuality through Quality Bus Partnerships including bus priority measures and Real Time Passenger Information, to encourage modal shift from cars and to improve air quality
 6. Increase user and community satisfaction with transportation policy and completed schemes through better consultation particularly following completion, to build support for transport policy and build confidence in the Council.
 7. Ensure the delivery of the Capital and Revenue Programme to a high standard of efficiency, economy and quality, to improve compliance with programme and improve user and community confidence.
 8. Improve management and working practices and processes, in particular the need for flexibility, recruitment and retention, and better internal communication, to increase efficiency, to facilitate staff development and morale and to meet corporate targets

9. Achieve sustained improvement in LTP and APR scores to maximise government funding and to maximise CPA freedoms and flexibilities
10. Establish arrangements and systems to comply with the statutory duty under the new Traffic Management Act to secure the expeditious movement of traffic on the local road network, to ensure efficient network operation and to avoid government intervention

SECTION 3 VISION TARGETS

- 3.1 Vision targets have been established for each of the key issues to drive service improvement. Most issues have more than one target, reflecting the multidimensional nature of the issues. The rationale for the targets is contained in the Stage 2 Report
- 3.2 Vision targets are either based on 'stretched' LTP targets or service plan targets where appropriate or have been developed from first principles for this Review. They are set out below under the appropriate key issue.

Parking Productivity and Effectiveness

- Reduce number of illegally parked vehicles per km of restricted street to 1.00 by 2005-06
- Reduce parking service sickness absence to 13 days per PA by 2005-06
- Achieve best quartile performance by 2005-06 for proportion of PCN overturned on appeal or not contested by Council

Walking and Cycling

- 70 of total 84 schools to have adopted travel plans by 2011
- Increase number of employers with travel plans to 25 by 2006 and 70 by 2011
- Achieve 70% of children walking to school by 2011
- Triple No. of children cycling to school to by 2011
- Double cycling mode share by 2010
- Reduce concentrations of NO₂ across 10 representative sites to 36µgm³ by 2010

Road Safety and Congestion around Schools

- Sustain best quartile performance for child casualties
- Achieve 80% schools with safer routes to school or appropriate traffic management scheme, 20 mph limit or signing in place by 2011 (based on priorities)
- Achieve 70% children over 5 receiving road safety advice by 2011
- Achieve 6% un-staffed SCP sites by 2011

Speeding

- Achieve 100% roads with appropriate speed limit by 2011
- Sustain 100 % priority camera sites with regular enforcement action (13 fixed and 15 mobile)

- Achieve 50% priority sites with traffic calming measures or active signing installed by 2011
- Achieve 85% speed compliance at 20 mph sites by 2011

Bus Service Reliability

- Achieve best quartile performance for bus service punctuality by 2011 (based on new LTP indicator)
- Achieve best quartile performance for satisfaction with public transport information by 2011
- Increase public transport use to town centre by 15% by 2011 compared with 1999 levels

User and Community Satisfaction

- Achieve Corporate goal of 75% satisfaction with scheme development and delivery by 2011
- 100% of 'significant' schemes to be subject to public consultation by 2005 (significant to be defined)
- 30% of 'significant' schemes to have post completion surveys by 2006
- 100% enquiries responded to in 10 days by 2006
- 100 % complaints acknowledged in 3 days by 2006
- 100 % complaints with full response in 10 days by 2006

Capital and Revenue Programme Delivery

- Achieve Scheme design unit costs and productivity of industry standard greater than 80% standard by 2006
- 95% vacancies and posts filled or covered by contract arrangement by 2006
- Achieve sickness absence of 8 days per person by 2006
- Achieve 90 % schemes designed in accordance with approved capital and revenue programme by 2006
- Achieve 90% schemes constructed in accordance with published programme by 2006
- Achieve 90% client satisfaction with quality of design and construction by 2006

Working Practices and Processes

- Achievement of IIP by 2006
- 100% employees in post for 12 months to have annual appraisal by 2006
- Internal communication strategy in place by 2006

- Quality Procedures manual in place with regular review process to monitor non-conformances by 2006
- Achieve no process non-conformances by 2008
- Achieve corporate targets for disability and diversity by 2006

Quality of LTP and APR

- Achieve and sustain above average score by 2006
- Achieve 100% completion of key actions in DFT/Atkins report by 2005
- Achieve 100% compliance with LTP programme preparation in 2005

Traffic Management Act

- Establish policy and organisational arrangements to meet statutory obligations to meet government requirements
- Meet performance requirements to avoid possibility of intervention

SECTION 4 MARKET ANALYSIS

4.1 Introduction

- 4.1 This Section of the report builds on information in the Stage 2 report dealing with competition, market testing and comparative best practice to identify and evaluate the possibilities for continuous improvement including partnership and externalisation of all or part of the service(s).
- 4.2 It includes the results of consultation with possible partners and authorities which have pursued particular options, and their evaluation of performance improvement where available. It includes information from professional journals about similar arrangements and other best practice

4.2 Parking Services

The Private Sector Market

- 4.2.1 There are four main private sector parking services providers, two of which are large national companies (National Car Parks and APCOA) with two smaller companies (VINCI and CPS). NCP currently run over 600 car parks in the UK. They also run enforcement contracts.

British Parking Association

- 4.2.2 The British Parking Association advised that Birmingham University are currently undertaking a study to identify best practice parking authorities and the BPA would be looking at this in the future. They advise that good practice local authorities tend to treat parking as a service and employ cohesion across the service department, so all members of staff are aware of the standards and policies they were working towards as regards for example pay and display, loading, unloading etc. Emphasis on adequate training of staff was crucial. Manchester City Council had revised a lot of its policies especially on towing away vehicles, Cambridge had recently gone live with its parking service and Winchester and Poole were also good examples.
- 4.2.3 Outer London boroughs tend to have in-house parking services whereas inner London boroughs tended to outsource their on-street services. BPA advised that in general in-house operations worked better in smaller authorities where you could retain staff more easily; however with the larger authorities it is not so feasible. In-house back office services were able to process paperwork more easily.
- 4.2.3 Poor performing councils tended to have ill-thought out parking policies, saw parking enforcement as a “cash cow”, did not train staff properly and

suffered under resourcing as a huge problem. These authorities tended to get more appeals and suffer bad press more regularly. Good councils should have an appeals rate of less than 1%.

- 4.2.4 The BPA have developed a Model Contract, in partnership with the Local Government Association, which is being widely adopted as the preferred procurement arrangement. More details of this were provided in the Stage 2 Report.

Camden Council

- 4.2.5 Camden's Parking Service had won many awards, including the Charter Mark, ISO 9000 and ISO 14001, as well as Parking Employee of the Year. Camden frequently advised other boroughs on their parking policies and had technical advice contracts with 5 Conservative authorities, 2 Liberal Democrat authorities and 4 Labour authorities. The Council is presently undertaking a Best Value Review of its parking services which is scheduled to report in July 2005.
- 4.2.6 The Parking service is contracted out to private sector operators in two contracts. Camden South is contracted to NCP, and Camden North to APCOA, but NCP will also be taking over this from 1 April 2005 from APCOA
- 4.2.7 Camden consider parking controls to be a major part of the Green Transport Strategy and this is referred to further later in this section , under Road Safety and Congestion around Schools.
- 4.2.8 Despite their awards for service quality, Camden did not always get enforcement right as at present 17% of all penalty charge notices were cancelled. Camden's record on parking appeals was however the third best in the whole of London.
- 4.2.9 The Chief Executive of NCP confirmed that Camden Council was one of the leading authorities on parking enforcement in the industry, although there was scope for improvement, and made the following points:
- Camden Council's contract was not based on the British Parking Association standard.
 - The contract focused on 6 qualitative areas of Key Performance Indicators KPIs.
 - The website and communication of policies was probably one of the best examples, and a good benchmark for other authorities to follow.
 - Mobile cameras were the best way of enforcing parking regulations.
 - A trainee needs approximately 3 months to become a good parking attendant

- There was a high turnover of staff – 59% in Camden South

4.2.10 The Camden Unison Assistant Branch Secretary) made the following points about the existing APCOA contract :-

- There were lower turnover rates of staff in previous years when parking enforcement was in-house - as low as 3%. Sadly, abnormally high rates of today were considered normal in the industry.
- APCOA staff in Camden North were encouraged to sign waivers on the Working Time Directive to work 60 –70 hours a week.
- A “hire and fire” culture seemed to be prevalent at APCOA.
- APCOA had been taken to employment tribunals and lost in some cases
- Public perception was important and this had been deteriorating.
- He referred to the Health and Safety at Work Act 1974 – there seemed to have been a disregard for this by APCOA which led to demoralisation among staff. UNISON would like to have meaningful dialogue with the NCP

Hackney Council

4.2.11 An extract from a technical article of 13 January, provides some information about the Hackney Parking Service Contract:-

- Complaints and appeals are falling in Hackney following the adoption of the new BPS Model Parking Contract and the new customer focussed approach is showing encouraging results. The contract started in September. 2004 and the rate of PCNs issued was unchanged at 150,000 per year.
- The contractor, CPS, is introducing cameras to provide evidence for all parking infringements and a new rapid response system around the clock. The target is to remove vehicle obstructing roads or driveways and carry out re-clamps within 30 minutes. This is currently being achieved for 60% of cases.
- Persistent evaders are also being targeted under another of the contracts 10 KPIs. Other KPIs include tickets cancelled due to PA error and training.
- Any savings on the contractors variable costs are shared by CPS and the Council.
- The flexibility of partnering allowed the council to meet wider objectives, for example PAs reporting abandoned vehicles

South Bedfordshire and Mid Bedfordshire Council

- 4.2.12 Parking services contracted out to VINCI, relatively recently. No reliable conclusions as yet

Parking Benchmarking Initiative

- 4.2.13 The Parking Benchmarking Initiative was launched in 1999 and managed by TRL. This collects information from member authorities according to a standard set of criteria and circulates non-attributable comparative information to subscribing authorities. Over the last 5 years the number of members has grown. The data are collected using a modular structure. There are 3 modules A B and C. Module A is the authorities operational data. Modules B and C take a wider view of the Councils Parking Service. Module C involves monitoring the level of compliance and to date no authority has taken this up
- 4.2.14 Luton Council is not a Member of the Parking Benchmarking Initiative and this Review was therefore unable to benefit from this information. It is important, however for the Council to join the scheme in order to improve the robustness of ongoing performance monitoring

4.3 Walking and Cycling

- 4.3.1 A number of councils demonstrate good practice in encouraging sustainable particularly walking and cycling. There is also extensive good practice guidance issued by DfT and others on cost effective use of shared space.
- 4.3.2 Luton, as set out in the Vision report is performing well in the provision of facilities particularly for cycling, and received an award for the most improved council in the region in this field. It has recently been announced that Luton will benefit from a new cycle route after Sustrans secured £400,000 lottery grant. The project involves 13 Km of off road route including a green corridor alongside the river Lea from Lewsey Farm to the town centre – supported by links to schools
- 4.3.3 In these circumstances it is concluded that the identification of further best practice is less important in this category. More relevant is the extent to which Luton could benefit by either showing strong leadership through a robust Green Travel Plan for the Council or adopting rather more of a 'stick' approach to traffic restraint which in turn could support more sustainable travel modes. A number of the larger authorities are investigating congestion charging proposals, including Birmingham and Bristol, but are proceeding slowly. The benefits, disbenefits and risks of these options are set out in Section 5 of this report

4.4 Road Safety and Congestion Around Schools

Combined London Boroughs Project

- 4.4.1 Bromley, Ealing, Lewisham, Kensington and Chelsea, Tower Hamlets and Wandsworth have launched a Walk on Wednesdays (WoW) to encourage parents and pupils to walk to school once a week for the entire school year. Transport for London, with Living Streets is funding the scheme which is based on earlier successful schemes in Richmond and South Gloucestershire.
- 4.4.2 The South Gloucestershire scheme is reported as being very successful. The area health promotion officer for South Gloucestershire says that 'Congestion has been rapidly reduced, there is no parking outside schools, no congestion and no noise. The results are very visual

Camden Council

- 4.4.3 Undertook a scrutiny panel investigation into the journey to school and reported in 2002. The report comprised a number of recommendations including the establishment of a permit or re-usable voucher scheme. Full details of the report and recommendations are available
- 4.4.4 The Green Travel Officer confirmed that the recommendations were implemented and the scheme is now in the second year. The scheme is predicated on the fact that when the police ran the parking service there was an informal dispensation to enable parking on restricted areas for up to 15 minutes at school leaving times. The strategy was to wind this down over 5 years. Schools were initially invited to apply for the number of permits required but first they had to have a green travel plan by the end of the year, which provided a very effective 'carrot'. Some 76 plans were prepared including all but one of the independent schools.
- 4.4.5 The scheme continues the dispensation to park for 15 minutes at specified times but each year the number of permits will be reduced by 20% and for future years with the intention of eliminating them in 5 years except for those with mobility problems. The Council thinks that the scheme works reasonably well and monitoring suggests a modal change of about 5 % in the first year.
- 4.4.6 Luton does not have a 15 minute dispensation and this scheme is there for not recommended. However discussion of the scheme lead to the development of a more practical option , Rapid Response Parking Attendants, which is dealt with in more detail in Section 5

Other Initiatives

4.4.7 Other initiatives noted from recent technical journals include:-

- Bexley Council shortlisted for award for safer routes to school scheme on Yarnton Way.
- Dorset Council Child Safety Audit copy available and seems a useful approach.
- Surrey County Council shortly to issue Guidance on use of Vehicle Actuated signs
- Oxfordshire using speed activated signs which can be fixed to lampposts. Cheaper to install

4.5 Highway Design and Delivery

Hertfordshire Highways Service

- 4.5.1 Hertfordshire County Council is rated by the Audit Commission as an excellent Council and to date the Highways and Transportation service is the only one to receive three stars. The County Council has created a Strategic Alliance with two private sector partners, Mouchel Parkman and Amey Lafarge, to delivering highway services in Hertfordshire. Employing innovative ways of working, the new organisation is a three-way partnership focused on delivering the highest possible standards to Hertfordshire's public.
- 4.5.2 Because just three organisations are involved, rather than many different contracts duplication will be avoided. Hertfordshire Highways is responsible for all aspects of highways work, from small improvements, day-to-day repairs and refurbishing worn out roads to investigating accident sites and enhancing the general road environment. It is also responsible for the winter maintenance
- 4.5.3 The contract is for seven to ten years. About a thousand staff from the three partners have come together under the banner of Hertfordshire Highways with the aim of creating a fully integrated organisation with shared aims and business objectives.
- 4.5.4 The vision of the partnership is to be acknowledged by the people of Hertfordshire and the wider community as the leading provider of choice for integrated highways services. Its mission is to:-
- Deliver a responsive service that demonstrates year on year improvements
 - Engage with all customers and anticipate their evolving needs, constantly improving service delivery through the application of best practices, technology and innovation

- Attract and retain the best people and to train, develop, manage and motivate to maximise both personal potential and business performance
- 4.5.5 The majority of day-to-day highways services are delivered from four area offices in Watford, St Albans, Stevenage and Hertford. A strategic office at Welwyn Garden City has been established that carries out work such as road safety engineering, transportation planning and all aspects of highway project design.
- 4.5.6 A collaborative arrangement might be possible, enabling Luton Council to join the partnership, thus avoiding the competitive tendering process. A prerequisite would of course be the agreement of the Hertfordshire County Council. It would also be necessary to obtain legal confirmation that the extension to the contract would be considered 'de minimus' and not contravene any aspect of contract law and practice. The potential benefits and disbenefits of such an arrangement are dealt with in Section 6 of this Report.
- 4.5.7 A complication of the arrangement is that the Hertfordshire contract includes both professional and works services, whereas the subject of this review is professional services only, and arrangements for revised works contracts are well advanced.
- 4.5.8 Should such collaboration be possible the most convenient location for servicing Luton would be St Albans. Hertfordshire is within the Regional Centres of Procurement Excellence Grouping as Luton which might facilitate collaborative working

Bedfordshire Council

- 4.5.9 Bedfordshire Council is in the process of procuring a major integrated contract combining professional and works services. The difference from Hertfordshire is that Bedfordshire developed one contract for both services and expected consultants and contractors to form consortia, whereas Hertfordshire preferred to tender them separately and subsequently bring them together, to enable them to pick the best from each contract.
- 4.5.10 The Bedfordshire model was pioneered by Northamptonshire whose contract with Atkins (for professional and works services) has been in place for about 3-4 years. Based on the Highways Agency MAC (Managing Agent and Contractor) contract, it was slow to take off but a number of authorities, including Bedfordshire and Gloucestershire are now pursuing this line.

4.5.11 Bedfordshire did approach Luton at an early stage of contract development to explore the possibility of their being involved but, following consideration, it was decided not to proceed, on the grounds that Luton , being the smaller partner, might receive a lower priority and consequently a poorer service.

4.5.12 Bearing in mind that the Bedfordshire contract has only very recently been let, an approach for an option to extend at this early stage is probably unlikely to be a viable option.

Southend Council

4.5.13 Southend Council has recently awarded a modern partnering contract for professional services involving about 100 staff in total (70 authority, 30 consultant). The contract is for 4 years to 2008, extendable for 4 years, and possibly for 7 years, and includes innovative charging mechanisms, including early payment discount, volume discount. The contract is managed by a very small client side of 3.

4.5.14 All documentation from the Southend Contract has been provided Free of Charge for use by Luton if they wish. Southend is also in the same Regional Centre of Procurement Excellence as Luton.

Other Recent Contracts

4.5.15 Other recent contract development s include:-

- Telford and Wrekin awarded contract to Jacobs Babbie for Engineering Consultancy. £450,000 a year for 5 years option to extend for further 2 years based on performance
- Cambridgeshire hosted the first joint 'industry day' for companies likely to bid for highway service contracts in several counties, jointly with Kent and Wiltshire. A fourth county Gloucestershire is further down the track. The immediate aim was more efficient tender document preparation. Similar specifications, performance models and joined up Performance management systems could show who was getting most out of the contracts (contact David Thomas Kent)
- Mouchel Parkman awarded extension to consultancy contract with Wokingham. Valued at £6m over next 3 years

SECTION 5 OPTIONS

5.1 Introduction

- 5.1.1 Improvement options have been developed to address most of the key issues identified at the outset of the review, with the objective of achieving the associated vision targets. Identification of the options has been informed by the Challenge section from the Stage 2 Report, the responses of CDMT and Scrutiny Panel to the Report, and subsequent further work to identify current and emerging best practice.
- 5.1.2 For four of the key issues, options are not considered appropriate as the review has identified a requirement for a single well defined programme of action, consistent with good practice.
- 5.1.3 Where possible, options address the potential for cost reduction as required by the methodology but this has not been possible in every case. The nature of the problems associated with some key issues are unlikely to be resolvable without additional rather than fewer resources. In this context it is important to note that the Government has acknowledged that Engineering and Transportation Services nationally have been subject to significant long term under funding and has only recently taken steps to address this in LTP settlements.
- 5.1.4 Where appropriate the identified options include collaborative working, externalisation of services or partnering.
- 5.1.5 In the following sections each key issue and the improvement options available are considered in turn. In each case the potential benefits are listed, together with disbenefits and risks. The financial implications of each option are included, but within the time available it has not been possible to prepare detailed estimates, so these are expressed in terms of a range or band, as follows:-

Band A	Resource implications small or within present budget
Band B	Resource implications £1000 - £25,000
Band C	Resource implications £25,000 - £50,000
Band D	Resource implications £50,000 - £100,000
Band E	Resource implications £100,000 - £250,000
Band F	Resource implications £250,000 - £500,000
Band G	Resource implications over £500,000

5.2 Parking Productivity and Effectiveness

- 5.2.1 Parking service productivity is one of the most important issues considered by the review. It was identified as the highest rated concern of

Members and figured significantly in issues raised by users and stakeholders. A key feature of parking service productivity is the high level of sickness absence and it is crucial that this is addressed by all options. In July 2004 this peaked at an average of 29 days per annum per parking attendant. Also in July 2004 the mean sickness level was 28 days per annum per parking attendant (the mean level was calculated taking away the highest and lowest sickness records). Vision targets require the reduction of sickness absence in the parking service to 13 days per parking attendant by the end of 2005-6. As at end of February 2005 the average sickness level was 20.5 days per parking attendant and the mean was 13.2 days.

5.2.2 It is important to place these figures in context. Much of the high average sickness levels is attributable to one PA who has been on continuous sick leave since January 2004 and has recorded 250 days for the last 'rolling' year. This single individual inflates the average by about 7 days. Seven other PA recorded between 20.5 and 33 days. Of these four are considered to relate to 'legitimate' health problems and are unlikely to recur. Of the remaining three, two have recently left the service.

5.2.3 The following improvement options were identified:-

- A. Retain enforcement in house
- B. Retain enforcement in house until April 2006 and review improvement 6 months after this report
- C. Implement resource sharing agreement with private contractor
- D. Collaborative partnership with South or Mid Bedfordshire Councils
- E. Contract out now (without in house bid)
- F. Contract out now (with in house bid)

5.2.4 It is assumed that all contracting out options will use the new British Parking Association Model Contract. All options would need to establish service policies and standards against which performance could be judged

Option A -Retain enforcement in house

5.2.5 This option is relatively straightforward and based on the assumption that the Council has sufficient confidence in sustaining continuing service improvements in the long term to decide now to retain the service in house. With this option it would be important to provide robust on-going comparative performance monitoring. This would require the Council to obtain membership of the National Parking Benchmarking Initiative managed by the Transport Research Laboratory on behalf of the British Parking Association.

5.2.6 The potential benefits of this option are:-

- Retains local knowledge and sensitivity to local political issues and priorities
- Demonstrates confidence in management and employees and improves morale
- Provides a stable base for continued improvement
- Directly employed service has much lower staff turnover
- Greater flexibility in staff utilisation and practice

5.2.7 The possible disbenefits and risks are:-

- Productivity could deteriorate again without stimulus to improve
- Contract management and employees have greater experience and wider viewpoint
- Direct employee costs more expensive than contracting out option
- Scope for savings in management and employee costs limited
- Scope for changing time consuming personnel policies and procedures more limited than contract option
- Scope for introducing performance incentive payments may be less than contract option

5.2.8 Overall conclusions on this option are that it has no advantages over Option B and does not provide sufficient time to evaluate improvements already in hand. It is least change least cost option in the short term (Band A) but tying into the option so early could forgo savings in Band E in the longer term. In these circumstances it is unlikely to prove acceptable

Option B -Retain enforcement in house until April 2006 but review improvement 6 months after this report

5.2.9 This option is based on the assumption that the Council is encouraged by the service improvements achieved but is yet to be convinced that these are sustainable in the longer term and is prepared to allow further time for the service to demonstrate this. This option would require robust on-going comparative performance monitoring provided through membership of the National Parking Benchmarking Initiative managed by the Transport Research Laboratory on behalf of the British Parking Association.

5.2.10 The potential benefits of this option are:-

- Retains local knowledge and sensitivity to local political issues and priorities at least in the short term
- Demonstrates confidence in management and employees and improves morale
- Provides time for management and employees to demonstrate continuing commitment to improvement

- Directly employed service has much lower staff turnover
- Greater flexibility in staff utilisation and practice
- Could lead to increased income of Band E per annum
- The programme would enable this option to be pursued in parallel with draft contract preparation for contracting options

5.2.11 The possible disbenefits and risks are:-

- Productivity could be sustained for the year then deteriorate without a continuing stimulus to improve
- Contract management and employees have greater experience and wider viewpoint
- Direct employee costs more expensive than contracting out option
- Scope for savings in management and employee costs limited
- Scope for changing time consuming personnel policies and procedures more limited than contract option
- Scope for introducing performance incentive payments may be less than contract option

5.2.12 Overall conclusions on this option are that it should receive serious consideration. It builds on the progress made in recent months and provides a challenge and an opportunity for managers and staff over a relatively short period to demonstrate that improvements gained can be sustained for the longer term. It would be necessary to put in place a regular and rigorous performance management regime to closely monitor performance and to prepare contract documentation for Option E in parallel to minimise lost time should demonstrable and sustainable improvements not be achieved and contracting out be necessary. Productivity improvements might not necessarily lead directly to cost savings but are likely to lead to increased ticket issue and increased income of Band E should be achievable during the year. Costs of parallel contract preparation are estimated at Band C

Option C-Implement resource sharing agreement with private contractor

5.2.13 This option is intended to provide a 'half way house' to externalisation and address the problems of managing 'peaks' and 'troughs' in the service. A form of 'partnering' agreement would be established with a private operator to share resources on agreed terms. Although such arrangements exist in other services, there are no current examples in parking services

5.2.14 The potential benefits of this option are:-

- Maintenance of the benefits of in-house service
- Assured flexibility in utilisation of personnel

- Opportunity to benefit from contractors experience and technology
- Opportunity to build closer compatibility in working practices and personnel policies, easing the path to possible future contract option

5.2.15 The possible disbenefits and risks are:-

- No examples of this model available in this field
- Contractors may not find option attractive
- Difficulties arising from incompatibility of pay and benefits
- Need for clearly defined Council and Contractor management roles
- No obvious opportunity for cost savings other than recruitment advertising, say Band B

5.2.16 Overall conclusions on this option are that, although it could possibly assist with balancing workload it would do little directly to deal with the issue of productivity. Bearing in mind the absence of models in this field and the relative buoyancy of the private sector market it is unlikely to prove attractive

Option D -Collaborative partnership with South or Mid Bedfordshire Councils

5.2.17 This option is based on the assumption that the Council could join an existing contract with an adjoining authority, thereby enabling it to proceed more rapidly with changes and potentially save on the costs of tendering

5.2.18 The potential benefits of this option are:-

- Saving in contract preparation and process time, possibly Band C
- Joining an established contract would reduce 'running-in' time
- There should be on-going savings in administration, technology and back offices support
- A larger contract with more employees would provide greater flexibility and cover

5.2.19 The possible disbenefits and risks are:-

- Luton would be the major partner and collaborating with an established contract in these circumstances may not be acceptable
- There may be differences in policy and practice to be resolved
- Extending a contract to a larger authority could be considered anti-competitive
- Geographical logistical problems

5.2.20 Overall conclusions on this option are that it is almost certain to be considered anti competitive. If the Councils were about to let a contract and Luton could collaborate then this would be a different matter.

Option E -Contract out now (without in house bid)

5.2.21 This option is based on the assumption that the Council is unconvinced that the current service improvements are sustainable under present constraints and should be contracted out, and it sees no benefit in an in house bid.

5.2.22 The potential benefits of this option are:-

- Significant scope for savings and increased income possibly Band F
- Productivity improvements could be sustained through performance incentives and sanctions
- Scope for more productive management time as contractor handles all disciplinary and related matters- but need to resource effective contract management
- Contract management and employees have greater experience and wider viewpoint
- Improved technology and back office support systems

5.2.23 The possible disbenefits and risks are:-

- High employee turnover
- Possibly less flexibility to Councils detailed priorities
- Higher level of user and community complaint
- Public perception that directly employed staff are friendlier and more flexible
- Failure of contractor

5.2.24 Overall conclusions on this option are that it should be seriously considered. It is the option most likely to deliver sustainable improvements in productivity and significant financial savings in the short and long term of the order of Band F. The risks of the inevitably higher personnel problems, staff turnover and higher public complaint are significant but would be mainly managed by the contractor at arms length from the Council. The Council would also need to maintain a strong client function. The contract would need to be evaluated on the basis of a heavy quality – cost balance with clearly specified standards

Option F -Contract out now (with in house bid)

5.2.25 This option is based on the assumption that the Council is unconvinced that the current service improvements are sustainable under present

arrangements and should be contracted out. However it wishes to provide the opportunity of an in house bid

5.2.26 The possible benefits of this option are similar to the previous option, with the addition that, if successful, the service would retain established management and staff with a good local knowledge and understanding

5.2.27 The disbenefits and risks could be different in that some aspects such as staff turnover and public complaint could be less than with larger contractors. There are two new risks however which would affect the viability of the tender. Firstly there would need to be someone to lead the in house bid and secondly that the in house bid could find it more difficult to achieve the same financial savings as other contractors, with present pay and conditions of service. The first of these could be addressed by utilising the presently vacant post of Parking Operations Manager to provide temporary professional bid leadership and support. The second of these could be addressed by the Council agreeing to facilitate modification of terms and conditions so far as is necessary for a competitive bid, but this could be more difficult to achieve.

5.2.28 Overall conclusions on this option are that it should be seriously considered in the light of its potential benefits but will require the two above issues to be resolved in order for an in-house bid to be competitive.

5.3 Walking and Cycling

5.3.1 The Stage two Report concluded that the Council had made good progress in encouraging and providing for cycling as an alternative to car use, following best practice, and being recognised as the most improved authority in the Region for this function. The Report concluded that progress was less apparent in encouraging and providing for walking and this was recognised by Members.

5.3.2 Existing targets for increasing cycling and walking are fairly modest and for the Luton 2011 Vision merely state an aspiration to increase cycling and walking 'as a percentage of total journeys'. More stretching Vision Targets have been set by the Stage 2 Report

5.3.3 Some progress had been made on initiatives to encourage more sustainable travel by Council employees, but this fell short of a Green Travel Plan for the authority and progress on this appeared to have stalled. There is scope for the Council to show stronger leadership in this area.

5.3.4 It is recognised that 'Translink' will eventually provide a fundamental stimulus to changing travel modes and its absence may be inhibiting

progress in the short term

5.3.5 The following improvement options were identified:-

- A. Continue with present strategy of new and improved facilities and encouragement
- B. Introduce stronger LBC Leadership through robust Green Travel Plan
- C. Introduce stronger deterrence to car use

Option A -Continue with present strategy of new and improved facilities and encouragement

5.3.6 This option comprises a continuation of the programme of new facilities, education and encouragement for the cycling programme, and an enhanced programme of improved facilities, education and encouragement for walking to meet new more specific Vision Targets.

5.3.7 The potential benefits of this option are:-

- It is consistent with present LTP priorities and programmes
- Modal change takes some time to 'bed in' and short term changes can be counterproductive
- It is fundable from present budgets Band A

5.3.8 The possible disbenefits and risks are:-

- The required level of modal shift might not occur
- Lack of public support for some initiatives for example 'walking bus'
- No new incentive for schools to prepare Travel Plans

5.3.9 Overall conclusions on this option are that it is the 'soft' option, providing a balanced response to the issue in the short and medium term, focusing on providing visible infrastructure to build public support but avoiding the harder and more politically sensitive policies likely to be controversial. Band A financial implications, contained within existing budget

Option B -Introduce stronger LBC Leadership through robust Green Travel Plan

5.3.10 This option is based on the assumption that the Council is prepared to lead by example as a large employer in establishing and implementing a radical best practice authority wide Green Travel Plan. It would also include all aspects of Option A

5.3.11 The potential benefits of this option are:-

- It would enhance the Councils Community Leadership role
- It would contribute towards a successful LTP/APR
- It would spread commitment through all council staff , not just those in Engineering and Transportation
- It could free up road space and parking spaces for others
- It could help to support corporate objectives relating to equality and equity
- It could produce overall cash savings as well as environmental benefits

5.3.12 The possible disbenefits and risks are:-

- It could take time to reach corporate agreement and would require high degree of commitment from Chief Executive and Members
- It could cause personnel problems and disputes
- It could adversely affect recruitment and retention arrangement
- Costs of implementation uncertain and depend upon the nature and impact of policies

5.3.13 Overall conclusions on this option are that it should be seriously considered. Strong corporate leadership from the Council may cause tensions in the short term but will enhance its reputation in the medium to long term. Even having the debate should lead to greater clarity amongst Members and staff and greater unity of purpose. Financial implications are difficult to determine and will depend on how far the Council is prepared to go in for example changes to employee conditions and facilities.

Option C -Introduce stronger deterrence to car use

5.3.14 This option is based on the assumption that the Council is not convinced that softer measures will achieve its Vision Targets and that a programme of stronger deterrence to private car use is necessary. There are a wide range of approaches to traffic demand management ranging from cutting cross town routes through parking charge management to private non-residential parking charges and congestion charges. Luton is in fact quietly implementing some of these but the process is temporarily inhibited by the absence of Translink. It would also include all aspects of Option A

5.3.15 The potential benefits of this option are:-

- More likely to be successful in encouraging modal shift than other options
- Would put Luton on the map
- Would generate innovation and creativity in employees
- Would complement Town Centre re-development and Translink

5.3.16 The possible disbenefits and risks are:-

- Unless carefully designed and implemented could conflict with regeneration policies
- Could encourage shoppers to go elsewhere
- Would require careful public engagement to avoid significant objections

5.3.17 Overall conclusions on this option are that it is probably too soon for Luton to consider this option. The extensive works to the Town Centre and the absence of Translink represent serious constraints at present. It is suggested that this option be reconsidered when these are nearing completion

5.4 Road Safety and Congestion around Schools

5.4.1 Road safety and congestion around schools was the second highest concern identified in the Community Forum survey and regularly appears as an issue on the area committees

5.4.2 Despite this, the review noted that national statistics indicate that congestion around schools does not necessarily lead to accidents and this is replicated in Luton. The Council's performance in casualty reduction is best quartile for most categories and includes a best practice approach to both engineering works and education. The Stage 2 report includes further stretching targets in both these areas

5.4.3 Nevertheless it is important to address the perceived as well as real risks and to pursue and the Review looked at options pursued by other authorities for more effective measures to deal with parking and congestion. The most productive approach is to focus on achieving modal shift to more sustainable travel methods for the school run, supported by engineering or enforcement measures. At present parking attendants enforce restrictions at school entrances and on nearby roads generally once or twice a month and few offences are observed in the presence of an attendant

5.4.4 The following improvement options were identified:-

- A. Continue with present strategy of improvements, education and targeted enforcement
- B. Introduce video recording
- C. Introduce system of Rapid Response Parking Attendants
- D. Introduce permit scheme based on Camden Council initiative

An option of staggering school hours was not considered as, although it would clearly have some beneficial affect on the issue, the social and

economic impact would be considerable and beyond the scope of this review.

Option A -Continue with present strategy of improvements, education and targeted enforcement

5.4.5 This option is based on the assumption that the present arrangements of programmed improvements, signing, education and encouragement will eventually achieve some improvement and allay public concerns

5.4.6 The potential benefits of this option are:-

- Provides a balanced flexible response bearing in mind that the road safety problems are more apparent than real.
- Incorporates all relevant criteria to provide a robust defensible priority system
- Service delivered within present budget provision
- Opportunity to pick up new good practice as it occurs

5.4.7 The possible disbenefits and risks are:-

- Considered by public and members to provide an insufficient response to their perceived concerns
- Problems still perceived to occur at most schools

5.4.8 Overall conclusions on this option are that although the road safety problem is being contained it is clearly not in the view of Members and the public achieving a resolution of the congestion problem. The adoption of this option would be to accept the congestion problem as irresolvable.

Option B Introduce video recording

5.4.9 This option is based on the assumption that some new initiative is required in order to address this problem. It would involve the use of mobile or fixed CCTV cameras utilised in rotation at the 40 sites where the problems are most acute. It could also involve some 'dummy' cameras to multiply the affect .The TV footage could be subsequently shown at the school. Assuming visits to two schools daily (am or pm) one officer could cover the most acute 40 sites on a 20 day or monthly rotation. This could be introduced as a trial and extended as necessary. This option would also include all aspects of Option A

5.4.10 The potential benefits of this option are:-

- A new initiative which if publicised well could have a beneficial affect

- The use of cameras for parking enforcement is advocated by private sector operators
- The selective use of 'dummy' cameras could multiply the enforcement affect
- Could be introduced incrementally
- Showing the TV footage in school provides another opportunity to promote road safety generally
- Relatively inexpensive at Band B

5.4.11 The possible disbenefits and risks are:-

- Will need to overcome concerns about videoing children. This could be done through recruitment , checking and training of operative and agreements concerning the use, ownership and disposal of film
- Would not be legally enforceable unless undertaken through the parking service – but this could be an option

5.4.12 Overall conclusions on this option are that it is the minimum response to concerns about congestion and probably provides the best value for money.

Option C -Introduce system of Rapid Response Parking Attendants

5.4.13 This option is based on the assumption that the only effective deterrent to unsafe parking is the physical presence of a uniformed officer. It would involve the establishment of Rapid Response Parking Attendants (RRPA) able to identify problem sites and deploy quickly to respond to them. They would have the full range of powers available to regular parking attendants including the issue of parking tickets. RRPA would be independently mobile with either small car or moped and would normally attend school sites on a rotational basis for more extended periods than that suggested for CCVT, subject to other priorities emerging, before moving on. Four RRPA could cover 40 sites on a ten weekly cycle and attendance at schools could be conditional on the school having a Transport Plan. This option would also include all aspects of Option A

5.4.14 The potential benefits of this option are:-

- Fairly high probability of success
- Stimulus for schools to produce Transport Plan
- Provides greater flexibility for SCP service in managing absences
- Can be introduced incrementally starting with pilot sites
- Opportunity for added value in road safety promotion
- Could provide additional support to regular Parking Attendants at key sites during school holidays

5.4.15 The possible disbenefits and risks are:-

- Full implementation could be relatively expensive.
- Not being able to issue tickets could affect compliance
- Relatively more costly Band B-C for 2 Officers and C-D for 4 officers
- Posts could be part time for particular hours or periods of the year

5.4.16 Overall conclusions on this option are that it is the most likely to achieve the desired outcome. It is relatively costly but there could be some savings in dealing with the continuing complaints and in increased productivity of parking attendants. It could also be trialled at less cost

Option D -Introduce permit scheme based on Camden Council initiative

5.4.17 This option is based on the assumption that a more formal robust approach is needed to address the problem similar to that adopted by Camden Council and described in Section 4 of this report. The Camden scheme is based on the principal of a 'discretionary' period of parking in restricted zones and is intended to erode this over a period of five years. It would therefore require some adapting for the Luton situation. This option would also include all aspects of Option A

5.4.18 The potential benefits of this option are:-

- Strong encouragement for schools to do School Travel Plans- Camden got 76 in the first year
- Schools take ownership of managing the problem
- Appears to achieve modest success
- Based on 'grinding the problem down' over 5 years it encourages parents to adopt alternative modes

5.4.19 The possible disbenefits and risks are:-

- Difficult to implement in the absence of an existing dispensation
- Requires regular on- street enforcement to check 15 minute overruns
- Limited potential for added road safety promotion

5.4.20 Overall conclusions on this option are that it is unlikely to be appropriate for the Luton situation

5.5 Speeding

5.5.1 The Stage 2 Report concluded that Luton applies best practice in speed management. It is a member of the Bedfordshire and Luton Casualty Reduction Partnership, undertaking camera enforcement at 13 fixed sites, 3 traffic signal sites and 15 mobile sites in the Borough. Fatal and serious injuries have fallen by 79% since the start of the Partnership in 2002.

- 5.5.2 This is supplemented by the Area based Traffic Calming Programme, providing comprehensive engineering treatments to 2/3 areas per year. There is also a supplementary programme of vehicle actuated signing in key locations
- 5.5.3 The Council is about to consult on a Speed Management Strategy and the Stage 2 Report sets stretching vision targets for continuing improvements in performance.
- 5.5.4 There are no examples of contracting out for this function, which would be a matter for the Partnership rather than the Council alone, although as a partner the Council could request consideration of this. No options have been proposed for this service other than to continue with the programme as set out in the Strategy, which is all consistent with best practice. Financial Implications Band A within existing resources

5.6 Bus Service Reliability

- 5.6.1 Bus service performance indicators are mixed. The fairly modest target for increase in the number of bus journeys of 10% by 2011, is not in track for and satisfaction with service is improving only very slowly
- 5.6.2 More importantly, the Council has no data at all about bus reliability and punctuality. This information is a required performance indicator for the second round of LTPs and it is crucial for the Council urgently to put arrangements in hand to obtain this
- 5.6.3 Most importantly of consultations with the principal operator, Arriva, for this Review, notes of which are available as background documentation, suggest that relations between Arriva and the Council are at an all time low, largely as result of the apparent deficiencies in the consultation process on the Town Centre scheme. The operator alleges that the detailed implications of the scheme were not apparent from the Development Framework consultation, and in fact only became apparent in December 2004 when the company were advised that the scheme was non-negotiable. There appears to have been little if any contact with the Local Transport Plan team and no consultation so far on LTP2. The company appears very keen to get involved with LTP2 and has written to the Council about this.
- 5.6.4 Arriva have a planned £2.5m investment programme for new vehicles to replace 20% of the Luton Fleet, equipped with CCTV, which would enable improved bus lane enforcement. This investment could be compromised by present problems. They also have detailed information about punctuality of services, which is commercially confidential and are unlikely to share with the Council under present circumstances. There is a critically

urgent need to place the relationship on an improved footing.

5.6.5 The following improvement options were identified:-

- A. Establish data and targets for LTP and pursue improvement programme
- B. Re-invigorate Quality Bus Partnership with Arriva including joint Punctuality Improvement Partnership, shared information and improved enforcement.

Option A -Establish data and targets for LTP and pursue improvement programme

5.6.6 This option is based on the assumption that the Council wishes merely to comply with minimum LTP requirements for public transport punctuality, intends to do this largely in-house with minimum engagement with operators and limited negotiation

5.6.7 The potential benefits of this option are:-

- Could reduce time for agreeing and collecting data
- Could reduce time for preparation of LTP

5.6.8 The possible disbenefits and risks are:-

- Contrary to DfT expectations
- Cost of data collection would fall exclusively on the Council, possibly Band B or C
- Inability to check data against operators figures
- Present relationship difficulties likely to continue
- Bus investment programme could be compromised
- Opportunity of CCTV bus lane enforcement forgone

5.6.9 Overall conclusions on this option are that it is not recommended. There is nothing to be gained in the long term but continuing to marginalise the principal operator.

Option B -Re-invigorated Quality Partnership

5.6.10 This option is based on an assumption that the Council regards partnership with operators as crucial both in compiling the LTP and in delivering punctuality improvements. It involves genuine consultation, negotiation and information sharing

5.6.11 The potential benefits of this option are:-

- Quicker collection and verification of data
- Possibility of sharing cost of data collection, net cost Band B
- Easier identification of congestion hot spots
- Better quality LTP consistent with DfT expectations
- Secures bus investment programme
- Secures opportunity of CCTV enforcement

5.6.12 The possible disbenefits and risks are:-

- Increased time for operator consultation and engagement
- Difficulty in reaching agreement with operator and need to compromise
- Operator refuses to share data

5.6.13 Overall conclusions on this option are by far the preferred option and most likely to deliver the required outcome

5.7 User and Community Satisfaction

5.7.1 Responses from Members indicated that 53% considered that users were easily able to make contact with the service and always received a satisfactory response to enquiries. This was the second lowest score of the 10 questions posed. Members were also concerned to seek residents' views after construction of works

5.7.2 The Stage 2 Report concluded that the Council had generally improved its approach to public consultation and Area Traffic Calming programme includes a comprehensive public consultation strategy which is best practice

5.7.3 However, detailed reviews of two schemes selected by the Scrutiny Committee undertaken for this Review highlighted some serious deficiencies in consultation in particular for the Guildford Street Scheme, where in fact there was no public consultation on the detailed aspects of the scheme. This has already been referred to in the previous section of this report.

5.7.4 It is important for the Council in taking forward complex town centre schemes to ensure that the information is sufficiently detailed to enable stakeholders and users to understand the affect of the scheme and comment upon it. Community engagement can occasionally be inconvenient and time consuming but it is no less necessary in complex urban projects than smaller neighbourhood schemes.

5.7.5 The following improvement options were identified:-

- A. Improve user consultation and information, and complaints management
- B. Sustained and fundamental improvement in user and stakeholder engagement in Town Centre Scheme

Option A -Improve user consultation and information, and complaints management

5.7.6 This option assumes the continuation of the comprehensive consultation arrangements for Area Traffic Management Schemes, extended to provide for post completion surveys, together with a new system of complaints management and analysis

5.7.7 The potential benefits of this option are:-

- Minimum cost option within existing budget provision Band A
- Provides balanced appropriate response to most apparent needs for improvement with the exception of the town centre schemes

5.7.8 The possible disbenefits and risks are:-

- Fails to address the problems raised by lack of detailed consultation on town centre scheme
- Inconsistent with Council Values

5.7.9 Overall conclusions on this option are:-

Option B -Sustained and fundamental improvement in user and stakeholder engagement especially in Town Centre Schemes

5.7.10 This option includes all aspects of the option B but extends the principles of the Area Traffic Management consultation to all significant Town Centre Schemes, with the objective of providing sufficient detail to enable stakeholders and users to understand both the concept and sufficient detail of the schemes.

5.7.11 The potential benefits of this option are:-

- Addresses the full range of public satisfaction issues identified by the review
- Establishes and clarifies procedures for subsequent schemes

5.7.12 The possible disbenefits and risks are:-

- Will require better forward planning to avoid delay to important strategic schemes

- Would be more time consuming and expensive than present arrangements in the short term. Possibly Band B-C but this could be recovered in the longer term through reduced public complaint

5.7.13 Overall conclusions on this option is that it is bar far the preferred course of action. Either the Council should consult in two stages (conceptual and detailed separately) or in one stage (conceptual and detailed combined). Consulting on conceptual frameworks only effectively excludes many users and stakeholders engagement and is inconsistent with the values of the Council.

5.8 Delivery of Capital and Revenue Programme

5.8.1 Delivery of capital and revenue schemes to programme and budget is important for user satisfaction and also for the assessment of LTP performance. The Council's record in this area has been poor in recent years and was a contributory factor to the 'weak' score of the third APR. Performance has improved but persistent recruitment problems make poor scheme delivery a continuing risk for the Council.

5.8.2 Steps have been taken to secure consultancy support and a number of options have been identified to develop these into a more modern longer term arrangement. There are a number of examples of good practice which have informed the option selection.

5.8.3 The following improvement options were identified:-

- A. All design in house
- B. Continue with present approach of ad hoc consultant support
- C. Extend 'walk and build' approach with street services
- D. Collaborative partnership with Hertfordshire (top up, externalise or flexible)
- E. Collaborative partnership with Bedfordshire (top up, externalise or flexible)
- F. Free standing partnering contract based on Southend documentation (top up externalise or flexible)

5.8.4 There are three sub-options, which apply to all of the last three options:-

- Partnership for 'top-up' support only, about 7/8 vacant posts
- Partnership for all relevant posts, about 15 posts
- Partnership flexible enabling the first option to evolve into a larger number of posts over time as posts becoming vacant would not be filled by the Council but by the consultant partner.

- 5.8.5 Bearing in mind that the review concluded that rates charged by in-house staff and consultants were broadly comparable taking into account overheads, there is no strong case for externalising services on cost grounds. In these circumstances it would seem appropriate to recommend the flexible partnership as the preferred sub option and apply this to consideration of options D, E and F

Option A -All design in house

- 5.8.6 This option is relatively straightforward and assumes the Council is satisfied that the service can be delivered most effectively in this way. It would involve a presumption against the use of consultants and the introduction of other measures including supplementary payments to secure a full complement of staff.
- 5.8.7 The potential benefits of this option are:-
- Staff are committed to Council values and priorities
 - Provides close integration between client and designer with some potential for modest cost savings
- 5.8.8 The possible disbenefits and risks are:-
- Would require system of pay enhancements to have a chance of securing full complement of staff. Financial implications Band D
 - Likelihood of securing full staff complement even with enhancements considered to be low
- 5.8.9 Overall conclusions on this option are that it is unlikely to be viable as recruitment might continue to be difficult even with pay supplements. It will also present continuing difficulties in managing equitably

Option B -Continue with present approach of ad hoc consultant support

- 5.8.10 This option is also relatively straightforward and assumes that the Council is satisfied that the present arrangements are the most effective in delivering the service. It involves a continuation of the present mixture of short and medium term consultancy support contracts
- 5.8.11 The potential benefits of this option are:-
- Proved pragmatic response to problem in the short term
 - Variety of smaller providers provides some flexibility in choosing preferred supplier for each contract

5.8.12 The possible disbenefits and risks are:-

- Procuring and managing a range of separate contracts costly and inefficient
- In practice some scheme slippage still occurred
- Difficult to provide for all possible skill shortages

5.8.13 Overall conclusions on this option are that it is a 'low risk' option that suits the 'culture' of the service. The time and cost of tendering and managing several different contracts makes it a more expensive option than it might appear and other options would be more economical in the medium term.

Option C -Extend 'walk and build' approach with street services

5.8.14 This option is based on the assumption that a proportion of highway and traffic management schemes are small scale and can be built with little if any detailed design input. In these circumstances they could be passed directly to contractors for construction. Such schemes include pedestrian refuges, other crossings, small footpath schemes etc.

5.8.15 The potential benefits of this option are:-

- Most efficient method for simple schemes
- Enables schemes to be installed relatively quickly

5.8.16 The possible disbenefits and risks are:-

- Fairly limited application
- Can be technical design problems and complications even with small schemes

5.8.17 Overall conclusions on this option are that it provides a very cost effective approach but for a very limited range of work, perhaps 10%. It could be pursued in conjunction with another option

Option D -Collaborative partnership with Hertfordshire (top up, externalise or flexible)

5.8.18 This option is based on the assumption that the Council could obtain benefit from seeking collaboration with Hertfordshire (an excellent authority with 3 star rating for highway services) in their Strategic Alliance Contract for Professional and Works Services, let in 2003

5.8.19 The potential benefits of this option are:-

- Opportunity of benefiting from lower rates secured on larger contract
- Avoids tender preparation costs ,possibly Band C
- Opportunity of association with 'Excellent' Authority and best practice contract
- Contract provides for a wide range of skills and specialisms which could be useful to the Council
- The Hertfordshire arrangement comprises two separate contracts, one for professional services and one for works, brought together into a strategic alliance by the Council. This makes it easier for Luton to establish collaborative working for part of the service
- Hertfordshire Council has agreed to discuss implications

5.8.20 The possible disbenefits and risks are:-

- Luton work might be regarded as lower priority than Hertfordshire
- Construction of tender rates might not favour Luton work
- May be difficulties in achieving co-location with Luton staff
- Closest Hertfordshire office is at Welwyn Garden City
- Arrangement might be considered anti-competitive

5.8.21 Overall conclusions on this option are that it should be seriously considered but it might be difficult to completely resolve concerns of Members and officers about the relative priority of Luton and Hertfordshire works.

Option E -Collaborative partnership with Bedfordshire (top up, externalise or flexible)

5.8.22 This option is similar to the previous one but collaboration with Bedfordshire rather than Hertfordshire. Bedfordshire does not have the same record of excellence as Hertfordshire but is presently in the process of letting a new fully integrated professional services and works contract

5.8.23 The potential benefits of this option are that it should be seriously considered

- Opportunity of collaboration at the outset of the contract rather than joining part way through
- Opportunity of benefiting from lower rates secured on larger contract
- Avoids tender preparation costs, possibly Band C
- Contract provides for a wide range of skills and specialisms which could be useful to the Council

5.8.24 The possible disbenefits and risks are:-

- The Bedfordshire arrangement comprises a single integrated contract for professional services and works. This makes it harder for Luton to establish collaborative working for part of the service
- Bedfordshire has not been regarded as a centre of excellence for highways and transportation services. Its best value inspection report in May 2004 graded the authority as fair but with an excellent chance of improvement
- Luton work might be regarded as lower priority than Hertfordshire
- Construction of tender rates might not favour Luton work
- May be difficulties in achieving co-location with Luton staff
- Closest Hertfordshire office is at Welwyn Garden City
- Arrangement might be considered anti-competitive

5.8.25 Overall conclusions on this option are that this would be a less satisfactory collaboration than Hertfordshire, both for objective reasons associated with the stage of the contract and relative standing of the authorities, and also more subjective reasons concerning previous experience of joint working.

Option F -Free standing partnering contract based on Southend documentation (top up externalise or flexible)

5.8.26 This option assumes the adoption of a new partnering contract specifically for Luton using the documentation provided by Southend Council.

5.8.27 The potential benefits of this option are:-

- Contract would be with Luton only and there should no problem in achieving priority
- The availability of the Southend documentation will minimise contract preparation costs and save time, possibly Band B savings
- The Southend contract is designed to be managed as a modern partnering contract with relatively simple clients controls which would suit the Luton arrangement

5.8.28 The possible disbenefits and risks are:-

- The smaller contract might be less attractive to larger consultants who might not include their best rates
- Smaller consultants might not have the required degree of flexibility to deliver the full range of services

5.8.29 Overall conclusions on this option are that this is the most attractive option and should be seriously considered

5.9 Working Practices and Procedures

- 5.9.1 The Stage 2 report concluded that the Council had made some good progress in improving its working practices and procedures. It had satisfactorily addressed all relevant recommendations by internal audit, including the establishment of more robust procedures for procurement and evaluation. It had established a new process for prioritisation and consultation on Area based Traffic Calming schemes and streamlined processes for assured scheme delivery following concerns by the Department for Transport.
- 5.9.2 There is however room for further improvement, as illustrated by the analysis of the sample schemes identified by the Scrutiny Panel. Although these are not typical schemes there are aspects of them that indicate some uncertainties of procedure and ad hoc approach in some cases. This is a particular problem when staff are under pressure, as they undoubtedly are in Luton and there is a need for a more robust approach towards consistent, reliable and auditable procedures, within a quality management framework and improved project management capability.
- 5.9.3 There are no strategic options for this issue, there is a list of actions to be taken and carried through urgently to meet the Vision Targets set by the Review. There are many examples of best practice in local authorities which can be pursued, but it is not recommended that this be merely adopted as this would not build the required degree of employee commitment.
- 5.9.4 Progress in this area has been inhibited by a long standing employee problem which has just been resolved and it should now be possible to make better progress

5.10 Quality of LTP and APR

- 5.10.1 This issue was included specifically as a result of the Council's third APR being rated 'weak' by the Department of Transport, a reduced position from the previous year. The Stage 2 report noted that the measures put in place following this result had been successful in improving the rating to 'above average' for the Fourth APR.
- 5.10.2 Despite this improvement, it is important to stress that the second round of LTPs presents significant new challenges including new initiatives on accessibility, bus reliability and a new performance management regime. It will be crucial for the Council to prepare early for this, particularly in the collection of data to support the performance regime, and as indicated earlier in Section 5.6 of this report there are some concerns that this is not being given sufficient urgency

5.10.3 There are no strategic options for this issue, there is a list of actions to be taken and carried through urgently to meet the Vision Targets set by the Review. There are an increasing range of opportunities for collaboration with other authorities through regional meetings and it is important that the Council takes full advantage of these.

5.11 Traffic Management Act

5.11.1 The Traffic Management Act 2004 imposed a wide range of new duties and powers on the Council, which are being implemented incrementally throughout 2005. These are not yet widely known about by the public but will assume increasing significance for them in the future.

5.11.2 The Stage 2 report noted that this issue was at an early stage and consultations on some aspects were still ongoing. Some aspects were now clear however and it concluded that more urgent progress was necessary in order for the Council to prepare for the new range of duties and powers.

5.11.3 There are no strategic options for this issue, there is a list of actions to be taken and carried through urgently to meet the respective deadlines for the legislation. There are a number of workshops and seminars arranged by the Department of Transport, and authorities piloting aspects of the legislation. It will be important for the Council to take full advantage of these.

SECTION 6 RECOMMENDATIONS

6.1 Introduction

- 6.1.1 Recommended options are set out in this Section of the Report relating to each of the six key issues for which options were considered. Actions to address the remaining four options for which options were not considered appropriate are included in the Improvement Plan

6.2 Parking Productivity and Effectiveness

- 6.2.2 The full description of the key issue is to Improve productivity, overall efficiency and effectiveness in parking enforcement to reduce illegal parking and improve highway network efficiency and access
- 6.2.3 The recommended option is Option B (retain in house until April 2006 but review improvement 6 months after this report), whilst at the same time undertaking preparatory work for contracting out. This provides the maximum challenge to the service allowing it a period of 6 months to demonstrate sustainable improvement but to enable a prompt start to tendering if demonstrable improvements were not apparent during this period.

6.3 Walking and Cycling

- 6.3.1 The full description of the key issue is to increase walking and cycling through Green Travel Initiatives, provision of facilities and better safety to improve air quality and community health
- 6.3.2 The recommended option is Option B (Stronger LBC Leadership through Green Travel Plan). Leading by example is crucial to making progress and would enhance the reputation of the Council. The action plan would also include all aspects of Option A (Continue with present programme)

6.4 Road Safety and Congestion around Schools

- 6.4.1 The full description of the key issue as modified is to improve road safety and parking congestion around schools through the provision of safety engineering, enforcement and training to reduce levels of actual and perceived risk and to encourage travel by more sustainable modes.
- 6.4.2 The recommended option is Option C(Rapid Response Parking Attendants) as this most likely to achieve the desired outcome, can be implemented incrementally, and provides an incentive for schools to complete a school travel plan. This option would also include all aspects of Option A (Continue with present programme)

6.5 Bus Service Reliability

- 6.5.1 The full description of this key issue is to improve bus service punctuality through Quality Bus Partnerships including bus priority measures and Real Time Passenger Information, to encourage modal shift from cars and to improve air quality.
- 6.5.2 The recommended option is Option B (Re-invigorate Quality Bus Partnership with Arriva including joint Punctuality Improvement Partnership, shared information and improved enforcement.) Active collaboration with the principal operator is crucial.

6.6 User and Community Satisfaction

- 6.6.1 The full description of this key issue is to increase user and community satisfaction with transportation policy and completed schemes through better consultation particularly following completion, to build support for transport policy and build confidence in the Council.
- 6.6.2 The recommended option is Option B -Sustained and fundamental improvement in user and stakeholder engagement in Town Centre Scheme, including all aspects of Option A, particularly an improved complaints management system.

6.6 Delivery of Capital and Revenue Programme

- 6.6.1 The full description of this key issue is to ensure the delivery of the Capital and Revenue Programme to a high standard of efficiency, economy and quality, to improve compliance with programme and improve user and community confidence.
- 6.6.2 The recommended course of action is to pursue Option F (Free standing contract based on Southend documentation) but also to hold further discussions with Hertfordshire County Council on the practicalities of Option D (collaboration with Hertfordshire) particularly in relation to concerns about the relative priority of Luton and Hertfordshire Works. Both options to be based on the flexible partnership model. Final option to be resolved by 1 August 2005.

SECTION 7 IMPROVEMENT PLANS

7.1 Improvement Plans are appended to this report for addressing each of the key issues as follows:

Appendix 1: Increasing parking enforcement productivity and effectiveness

Appendix 2: Increasing walking and cycling

Appendix 3: Reducing road safety and congestion problems around schools

Appendix 4: Reducing speeding

Appendix 5: Increasing bus service punctuality and reliability

Appendix 6: Increasing user and community satisfaction with the service

Appendix 7: Ensuring delivery of capital and revenue programme

Appendix 8: Improving management and working practices

Appendix 9: Sustaining improvement of LTP and APR scores

Appendix 10: Implementing provisions of Traffic Management Act 2004

SECTION 8 IMPLEMENTATION AND MONITORING PROGRESS

- 8.1 The implementation tasks will be incorporated into service plans, the corporate plan and Best Value Performance Plan and implementation will be led by the Head of Service.
- 8.2 Employees of the service will be briefed about the future of the service and the improvement plan.
- 8.3 Monitoring will be carried out formally by Scrutiny on a 6-monthly basis, using the performance indicators for the Vision targets, and the improvement tasks in the Improvement Plan. Performance will also be reported to Executive as part of the reporting carried out for service plans and the Best Value Performance Plan.