

COMMITTEE: ADMINISTRATION COMMITTEE

DATE: 7 JULY 2008

SUBJECT: PASSENGER TRANSPORT UNIT
RESTRUCTURE

REPORT BY: KEN TOYE, SERVICE MANAGER, PTU

CONTACT OFFICERS: KEN TOYE 548096 / WILLY WHITE 546167

IMPLICATIONS:

LEGAL		STAFFING	✓
EQUALITIES	✓	COMMUNITY SAFETY	
FINANCIAL	✓	RISKS	

OTHER

WARDS AFFECTED: NONE

PURPOSE

1. The purpose of the report is to outline the changes required within the Passenger Transport Unit's staff structure, necessary as a result of the changes to its business, since its formation in 2004.

RECOMMENDATION(S)

2. Executive Committee is requested to approve an internal restructure of the Passenger Transport Unit to meet its changing business needs.

REPORT

3. The Passenger Transport Unit (PTU) was formed in November 2004 following a Best Value Review and all of the Authority's passenger transport assets were placed in the Environment and Regeneration Directorate under the Head of Engineering and Transportation. Staff transferred from Lifelong Learning and Social Services along with established vehicles and assets. The PTU re-located in the Kingsway Depot where suitable accommodation and fleet vehicle parking was secured. New contracts were established with external providers. The split at this time between external providers and internal utilisation was 75%-25% in the favour of the external provider.

4. The PTU became fully functional with its own financial resources in April 2005. At this time there were 9 managerial and administrative posts, approximately 50 driver/escorts with some vacancies and 37 fleet vehicles some of which were out stationed and not heavily utilised.
5. The primary responsibility of the PTU includes the administration of all public transport functions (concessionary fares, tendered local bus services and publicity/information); home to school transport, mainstream and special educational needs (SEN) provision, and post 16 student transport; Social Services transport including adults attending day care centres and adults with special needs. These functions are delivered using a combination of contracted, fleet, and local bus services.
6. The PTU's structure reflects an earlier view on how passenger transport might be delivered in Luton (please see original structure appendix 1). Since the establishment of the PTU however, there have been significant improvements in fleet vehicle utilisation and a large increase in demand for services.
7. Additional, new work has been secured by the PTU and it is intended to re-structure the PTU in order for it to meet current demand and the demands of the service anticipated over the next two years. Since the PTU was established there have been many additional demands for passenger transport services not previously anticipated and without provision being included in the structure. The recent challenges produced by administering ad-hoc taxi provision, providing mainstream denominational transport in the large yellow school buses, delivering meals at home to vulnerable clients, and an increasing use of available capacity by the Campus Luton service, have all had an impact on the existing organisation and some areas now need more support.
8. The PTU currently employs over 85 full and part time staff and is divided into three sections:
 - Firstly, Fleet and Operations - the largest section in terms of staff employed, with responsibility for in house fleet routes, driver/escort training and hires. It has become apparent since the fleet is being utilised more fully there is now a need for a charge hand in addition to the two leading drivers.
 - Secondly, the Contract Department - procures external transport for Children and Learning (C&L), Housing and Community Living (HCL), and ad-hoc taxis; it is also responsible for applying contract conditions and monitoring the internal fleet utilisation and external providers and their staff. The number of renewable 5 yearly contracts has reduced, and, as a result, there is no longer a need for an L7 post to maintain contract compliance. There has however been an increase in ad-hoc one-off transport provision and it is anticipated that this role can be fulfilled by a lower grade Route Planning Post. The training officer role now sits more comfortably

within this team as the PTU takes on increasing responsibility for training external contractors and suppliers and keeping abreast of changes to statutory training requirements.

- Thirdly, the Network Planning Team - delivers the public transport functions and is effectively the interface with local bus services and publicity. It also administers concessionary passes and school bus passes. The M3 Network Planning Manager position became vacant in July 2007. This post has been advertised twice in both local media and various national professional magazines but no suitable candidate has been sourced. We believe that a further attempt to recruit will prove to be unsuccessful as the candidate pool remains static. As a result, an M3 Network Planning Manager is no longer viable. The majority of the financial elements of the Network Planning Manager position sit more comfortably within the Business Support Team (Para 9), and indeed these elements have been undertaken by this team, since July 2007. As a result of the reduction in the financial elements of this role, combined with the increased volume in concessionary fares travel, bus registrations and the increased demand for post 16 travel and mainstream school travel, both the title and structure of this team need to change. A title of Public Transport Team describes better the purpose and the Public Transport Manager position will be graded to reflect the changes in role. This postholder will also be supported by a new Publicity, Marketing and Bus Registration Officer as these functions in particular have increased in terms of both volume and importance.
9. There is now a requirement for a fourth section as the Business Support functions of the PTU are significantly greater than those that were envisaged 4 years ago, and the provision for this within the structure has proved to be inadequate. The additional work undertaken by the PTU, including work for C&L and HCL, generated additional income of more than £250k in 07/08; provision of this extra work incurred additional costs, which were lower than the income generated due to increased utilisation of the PTU vehicles. Regular re-charges to other departments and subsequent monitoring and profiling has also increased the workload. The PTU continues to grow and with it the need for more accurate budget monitoring and profiling. Customer demand for financial information has increased significantly and some staff are working outside their current job descriptions to meet such demand, including dealing with budgets with an annual turnover of £5m per annum. The primary functions include cost centre manager responsibility for the concessionary fares and PlusBus budgets, and the other elements transferred over from the Network Planning Manager, namely PlusBus reimbursements. Other functions include recovering recharges, calculating on account payments and payments due to external providers, the authorisation and calculation of payroll, overtime, and travelling subsistence. The team also has responsibility for administrative interfaces, college post-16 partnership fund transfers

and virements. With more growth predicted and associated increases resulting from changes to concessionary fares, and reimbursements to local bus operators, the new Education Act and HCL's commitment to introduce direct payments, accurate outturns to stakeholder departments will become a greater challenge.

LEGAL IMPLICATIONS

10. There are no legal implications to this report and this has been agreed with John Newman in Legal Services on 21 April 2008.

STAFFING IMPLICATIONS

11. We are proposing to delete one post, that of Contracts Officer, for which there is a substantive post-holder. That employee has been seconded to a role in Housing and Community Living for the past two years. That seconded role is currently being advertised as a permanent vacancy. The secondee is on the Council's Redeployment List and may well be successful in applying for the permanent vacancy.
12. Consultations have taken place with staff in the Unit. Our three recognised trade unions have also been consulted. We have had no representations from any of these consultees.
13. Most new post have been evaluated with the outstanding post subject to evaluation during July 2008..
14. If Executive approves this proposal further consultation will take place with the recognised unions about slotting-in, job matching and ring-fencing arrangements.
15. This report was cleared with the head of HR 24th June 2008

EQUALITIES IMPLICATIONS

16. Equalities implications in relation to staffing are covered above.
17. With regard to the impact of any changes to the service on the customer, it is anticipated the revised structure will have a positive impact, if any, as it will be better able to identify and address customer needs.
18. Consideration has been given to equalities/cohesion/inclusion. An impact assessment therefore was not required.

FINANCIAL IMPLICATIONS

19. Appendix 3 shows that the restructure is affordable within an acceptable tolerance level, subject to posts being evaluated at the estimated grades. The net additional income generated by the PTU

through additional work has been reflected in the PTU budget for 2008/9 as an efficiency saving. Agreed by the Finance Manager (Environment & Regeneration) on 20th May 2008.

RISKS

20. There is a very low risk of one or more existing staff potentially being put at risk of redundancy as a result of the restructure.
21. There is a risk that posts may be evaluated at a higher grade than that indicated in Appendix 3, in which case the restructure will only be affordable if the additional costs are covered by reducing other PTU budgets.

OPTIONS

22. The Committee can either approve the restructure as outlined in Appendix 2 or reject the restructure.

APPENDICES

Appendix 1 Old structure chart for the Passenger Transport Unit (12/6)
Appendix 2 New structure chart for the Passenger Transport Unit (12/7)
Appendix 3 Financial and Staffing implications of the restructure (12/8)