

Report of the Strategic Director of Place to the meeting of Executive to be held on 11 September 2018

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Subject:

Arrangements for the establishment of a West Yorkshire Urban Traffic Management Control (West Yorkshire UTMC) Service

Summary statement:

The purpose of this report is to provide information to the Council's Executive about the proposals for establishment of a West Yorkshire Urban Traffic Management Control (West Yorkshire UTMC) Service. It sets out the background to the development of the proposal, arrangements for its funding both in terms of initial development and future operation and requests delegated authority for the Strategic Director of Place to progress with arrangements for establishing the service which will be hosted by Leeds City Council.

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Portfolio:

Regeneration, Planning & Transport

Overview & Scrutiny Area:

Regeneration & Environment

1. SUMMARY

- 1.1 The purpose of this report is to provide information to the Council's Executive about the proposals for establishment of a West Yorkshire Urban Traffic Management Control (West Yorkshire UTMC) Service. It sets out the background to the development of the proposal, arrangements for its funding both in terms of initial development and future operation and requests delegated authority for the Strategic Director of Place to progress with arrangements for establishing the service which will be hosted by Leeds City Council.
- 1.2 The establishment of an agreed West Yorkshire UTMC Service would benefit Bradford and West Yorkshire in delivering a more resilient and cost-efficient service using funding allocated from the Combined Authority's West Yorkshire-plus Transport Fund to help facilitate the change.
- 1.3 The new service would take over responsibility for the design of new traffic signal installations for all of West Yorkshire and would be responsible for their operation, coordination and maintenance under the governance of a Service Level Agreement. The Local Authority would however retain ownership of the traffic signal asset together with responsibility for payment of associated energy costs.
- 1.4 The key benefits of the West Yorkshire UTMC Service would be:
 - Provision of a resilient, well resourced, UTMC service able to maximise the opportunities afforded by economies of scale and efficiency at a time of economic austerity;
 - Clearly demonstrating to the Department for Transport that the West Yorkshire authorities can work together;
 - Provision of a consistent UTMC service across West Yorkshire;
 - Provision of better management of congestion to unlock capacity over the highway network;
 - Improved journey time reliability for highway travel;
 - A more resilient network able to better manage unplanned events;
 - Improvements to air quality; and
 - Increased employment and promotion of economic growth by the completion of transport schemes across West Yorkshire regardless of administrative boundaries.
- 1.5 Initial discussions into the possibility of establishing a joint service have taken place between the Council Leaders and Chief Executives. As a result of these discussions agreement in principle has been reached to support the development of a joint service solution.
- 1.6 The Executive is asked to:
 - Endorse in principle the arrangements for the establishment of a joint West

Yorkshire UTMC service subject to the outcome of the consideration of the Outline Business Case by the Combined Authority;

- Approve in principle that should a joint West Yorkshire UTMC service be established and that Leeds City Council will become the host authority;
- Approve the principle of allocation of £324,100 the 2018/19 UTMC budget to the funding of the West Yorkshire UTMC service as Bradford's contribution to the joint service;
- Authorise the Strategic Director or Place in consultation with the Portfolio Holder to progress with the other Local Authorities any arrangements necessary to support the implementation of the joint West Yorkshire UTMC service.
- Note the potential need to transfer staff via TUPE from Bradford into the employment of Leeds City Council to work within the West Yorkshire UTMC service;
- Note the proposed creation of an organisational unit within Leeds City Council within their City Development Directorate for the West Yorkshire UTMC service and that the West Yorkshire UTMC service may be based at the Joint Services building in Morley subject to the outcome of the approval of the Outline Business Case and completion of all necessary legal agreements; and
- Note that this report discusses the further work required in relation to establishment of the West Yorkshire UTMC service and that once final agreement has been reached in relation to the operational arrangements for this service a further report be presented to Executive for consideration.

2. BACKGROUND

2.1 Currently, UTMC services are delivered independently by each of the West Yorkshire authorities with the exception of Calderdale who procure their services from Leeds City Council. The four West Yorkshire UTMC teams work in different locations to varying service level agreements, with some limited formal cross-boundary operations (e.g. shared external maintenance contracts, shared supply and installation contracts).

2.2 The West Yorkshire UTMC project comprises 3 distinct parts:

- a) The joining up of all districts UTC/UTMC computer systems into one comprehensive system located in the "cloud" (c£2.3m);
- b) The undertaking of on-street improvements to UTC equipment facilities at key junctions on the West Yorkshire Key Route Network (c£4.0m); and
- c) The re-organisation of the West Yorkshire UTMC services to provide a better day to day management and co-ordination across the network including key transport partners (public transport operators, emergency services,

Highways England etc) through the consolidation of the four West Yorkshire UTC teams amalgamated under TUPE provisions.(c£1.0m)

- 2.3 Discussions in relation to the principle of exploration of establishing a joint West Yorkshire – UTMC service were held with respective Council Leaders and Chief Executives as the development of an Expression of Interest for the project. These discussions were positive to the proposal and an in principle agreement was reached supporting exploration of this proposal.
- 2.4 The project was included in the 2015 West Yorkshire-plus Transport Fund submission to government. Based on a £7.3m cost and journey time benefits for all modes of £28.5m the project produced a GVA/£ spent score of 3.9 which ranked it in the top 3 highest scoring schemes in the final list of 33 West Yorkshire agreed projects.
- 2.5 An Outline Business Case for elements (a) through (c) was considered by the Combined Authority on 5 April 2018 and approval was given to progress the project to Full Business Case (FBC). The FBC submission for elements (a) and (b) is currently anticipated to be submitted in September 2018 with a separate FBC submission for element (c) being submitted in December 2018.
- 2.6 Key stakeholders have been briefed about the work of the project board to ensure that they understand the direction of travel towards a joint service. Regular briefings will continued to be produced.
- 2.7 Each Local Authority will have key staff in the areas of Legal, IT, HR, Finance, Procurement, Communications, Business Support involved in progressing the joint service development. The formal process of engagement with staff, elected members and the key officers, who will establish the service has not commenced as the governance model needs to be agreed.
- 2.8 The staffing structure and funding model for the new joint service is being developed jointly by the districts via the project board. This will require fuller discussion regarding arrangements for staff transfer, TUPE, pension implications etc. and consultation with trade unions once initial proposals have been agreed.
- 2.9 The planned implementation date for the West Yorkshire UTMC service is Autumn 2019.

3. OTHER CONSIDERATIONS

- 3.1 Traffic signals design and operation is a bespoke area of engineering and there is a national, regional and local problem with recruitment and retention of staff with the necessary skills. As of December 2017, there were 27 staff across the region employed by the four UTMC teams and several vacancies. The average age of staff employed is 48 years of age with 19 members of staff (70%) above the age of 45. Consequently it is likely that staff shortages will be exacerbated in the near future as staff retire. The establishment of a West Yorkshire UTMC service would facilitate the creation of a “centre for excellence” within West Yorkshire and would ensure that the service was at the forefront of exploiting and adopting the latest

changes in new and emerging traffic management technologies.

- 3.2 Current proposals for the West Yorkshire UTMC Service would see the service led by a Head of Service with a staffing structure designed around three core service functions, namely scheme design, maintenance & operation and research & development. Detailed proposals are still currently being developed by Leeds City Council but are being developed based on research of best practice from across the UK.
- 3.3 Implementation of the West Yorkshire UTMC Service proposal would see staff from Bradford, Wakefield and Kirklees transferred into the employment of Leeds City Council; the proposal does not affect any staff in Calderdale MBC as their UTMC service is currently provided by Leeds City Council. Any transfer of staff requires detailed HR processes to address TUPE, assimilation, due diligence etc. as well as formal consultation with the staff and trade unions in the coming months. For Bradford employees who could be TUPE transferred to Leeds City Council would retain their existing West Yorkshire Pension Fund arrangements and their benefits would be unaffected by the transfer.
- 3.4 There has been informal engagement with the affected staff and trade unions by each local authority throughout the development of the Outline Business Case submission. Unions have been approached at a regional level to advise of the intention to explore creation of a joint West Yorkshire UTMC Service.
- 3.5 Leeds City Council will be employing around 36 full time equivalents (FTEs) staff to discharge this function. This will include both existing Leeds employees and approximately 18 staff transfer from the other 3 West Yorkshire local authorities. This will include appointing a Head of Service for the function. There will be 6 staff within Bradford who will transfer to the new service.
- 3.6 Subject to securing the Outline Business Case funding later this year and completing all associated legal agreements it is currently proposed that the West Yorkshire UTMC Service will be based in the West Yorkshire Joint Services building in Morley. Using mobile and flexible working arrangements it is also envisaged that staff will be deployed to districts when engaged on the design of projects as part of a wider project team. Appropriate arrangements will be put in place to ensure that they have adequate resources.
- 3.7 All of the 5 West Yorkshire councils are the designated Highway Authority and Local Traffic Authority for their own geographical area, with their responsibilities being laid down in the Highways Act 1980, Road Traffic Regulation Act 1984 and Traffic Management Act 2004. The Combined Authority is not a Highway Authority, nor a Local Traffic Authority, but it does have powers for integrated transport in West Yorkshire. Under the Local Transport Bill (2008) districts can, with agreement, transfer local highway powers to a Combined Authority or other district Council as an Executive decision. The receiving authority then becomes responsible for the legal obligations for the function transferred e.g. urban traffic control. Alternatively, informal, non-legally binding service level agreements, or formal co-operation contracts could be put in place between districts or a "host" authority to cover the UTC functions. Currently the use of non-legally binding service level agreements is

being promoted as the preferred approach to governance of the joint service.

- 3.8 The Full Business Case submission to the Combined Authority for the West Yorkshire UTMC Service is currently anticipated to be submitted in December 2018. Approval of this submission will release the requisite funds necessary for the establishment of the service and configuration of the Joint Services building at Morley.

4. FINANCIAL & RESOURCE APPRAISAL

- 4.1 In July 2016 when the issue of establishing a West Yorkshire UTMC service was discussed with by the Chief Executives it was proposed that the value of each district's 2016/17 revenue budget would be frozen at that time and would ultimately be transferred to the Host authority when the new service came together. This approach would then form the base budget around which the new combined service could be based. For Bradford the 2016/17 revenue budget for UTC was £465,900 inclusive of energy charges of £113,000. Subsequent to this agreement the Project Board agreed that this funding allocation should be updated to the 2018/19 base budgets which is £439,900 inclusive of energy costs of £115,800.
- 4.2 This initial revenue budget allocation will be further supplemented through income generation activities associated with the functions of the service (e.g. recharging of staff time to delivery of capital programmes and charging for temporary "bagging off" of traffic signals). A detailed business plan is currently being prepared by Wakefield MDC to demonstrate how together with the base budget allocation the future viability of the service can be secured by maximising income generation and other revenue streams.

5. RISK MANAGEMENT AND GOVERNANCE ISSUES

- 5.1 Responsibility for the governance of this project rests with the Calderdale MBC as promoting authority and Project Executive. As the wider UTC project is being funded under the West Yorkshire+ Transport Fund funding and project approvals are controlled under the West Yorkshire Combined Authority's Assurance Framework. A rigorous project management system is in place for all West Yorkshire+ Transport Fund projects based around the OGC PRINCE2 (Projects in Controlled Environments) and MSP (Managing Successful Programmes) methodologies.
- 5.2 As part of the management of this project a Project Board has been established comprising representatives of each of the constituent districts and representatives of the Combined Authority.
- 5.3 As part of the Assurance Process a detailed risk assessment has been undertaken for each element of the project (a) through to (c). These risks are reviewed monthly by the Project Board and corrective actions directed where necessary.

6. LEGAL APPRAISAL

- 6.1 Subject to approval of the Outline Business Case submission the proposals contained within this report would involve a transfer of staff from City of Bradford MDC to Leeds City Council. It is considered that the Transfer of Undertaking (Protection of Employment) Regulations 2006 ("TUPE") would apply to such a transfer. Consultation will be undertaken with the trade unions concerned and the affected staff.

7. OTHER IMPLICATIONS

7.1 EQUALITY & DIVERSITY

Due consideration has been given in writing this report to the Council's duties under Section 149 of the Equality Act 2010.

7.2 SUSTAINABILITY IMPLICATIONS

The establishment of the West Yorkshire UTMC service will bring about economies of scale and make the UTMC service more resilient to service revenue funding pressures.

7.3 GREENHOUSE GAS EMISSIONS IMPACTS

Delivery of the West Yorkshire UTMC project, specifically elements (a) and (b) will assist in reducing congestion on the highway network through more effective and efficient co-ordination and operation of traffic signals. By facilitating and controlling traffic movement air quality improvements will be realised not just within the Bradford district but throughout West Yorkshire.

A formal monitoring and evaluation plan for the West Yorkshire UTMC project is currently being developed as part of the Full Business Case.

7.4 COMMUNITY SAFETY IMPLICATIONS

There are no Community Safety implications associated with the contents of this report in relation to the establishment of the joint service.

7.5 HUMAN RIGHTS ACT

There are no Human Right Act implications associated with the contents of this report.

7.6 TRADE UNION

On-going consultation is being undertaken with the trade unions concerned.

7.7 WARD IMPLICATIONS

As each ward has a number of traffic signal junctions / crossing facilities all wards are affected by this proposal.

Where specific upgrades to existing traffic signals are to be delivered as part of element (b) of the project individual ward members will be advised of the programme for upgrades.

7.8 AREA COMMITTEE ACTION PLAN IMPLICATIONS

Not applicable.

7.9 IMPLICATIONS FOR CORPORATE PARENTING

There are no implications for corporate parenting associated with the contents of this report.

7.10 ISSUES ARISING FROM PRIVACY IMPACT ASSESMENT

Initial Privacy Impact and Short Privacy Impact assessments have been undertaken on the proposal to create a West Yorkshire UTMC service. These assessments indicated potential issues in relation to sharing of CCTV camera images from sites across West Yorkshire with the joint service control room for the purposes of monitoring traffic congestion (vehicle license plates being assessed as personal information under GDPR). In line with corporate processes a risk assessment of this issue has been undertaken and identified that appropriate controls and operating protocols can jointly be put in place to manage this risk effectively.

8. NOT FOR PUBLICATION DOCUMENTS

None.

9. OPTIONS

9.1 Bradford has been working in collaboration with other West Yorkshire Local Authorities to create a new model of service delivery for the UTMC function. There are two options for consideration in relation to this:

a) To support the continuing development of the West Yorkshire UTMC Service which will:

- Provide economies of scale and efficiency to Bradford Council at a time of economic austerity.
- Deliver a consistent UTMC service across West Yorkshire
- Provide better management of congestion to unlock capacity over the highway network.
- Improve journey time reliability for highway travel;
- Provide a more resilient network able to better manage unplanned events;

- Contribute to air quality improvements; and
 - Increase employment and promotion of economic growth by the completion of transport schemes across West Yorkshire regardless of boundaries.
- b) To maintain the status quo and not pursue the development of a West Yorkshire UTMC Service which will:
- Continue with duplication of equipment with some equipment expected to become obsolete very quickly;
 - Continue with the duplication of staff requirements and use of resources as functions continue to be delivered independently in each district; and
 - Exacerbate problems with recruitment and retention of staff as individual districts vie for recruitment from a limited pool of resources locally, regionally and nationally.

10. RECOMMENDATIONS

- 10.1 That the Executive endorse in principle the arrangements for the establishment of a joint West Yorkshire UTMC service subject to the outcome of the consideration of the Outline Business Case by the Combined Authority.
- 10.2 That the Executive approve in principle that should a joint West Yorkshire UTMC service be established and that Leeds City Council will become the host authority.
- 10.3 That the Executive approves the principle of allocation of £324,100 from the 2018/19 UTMC budget as Bradford's contribution to the funding of the West Yorkshire UTMC joint service.
- 10.4 That the Executive authorises the Strategic Director of Place in consultation with the Portfolio Holder to progress with the other Local Authorities any arrangements necessary to support the implementation of the joint West Yorkshire UTMC service.
- 10.5 That the Executive notes the proposed creation of an organisational unit within Leeds City Council within their City Development Directorate for the West Yorkshire UTMC service.
- 10.6 That the Executive note the potential need to transfer staff via TUPE from Bradford into the employment of Leeds City Council to work within the West Yorkshire UTMC service.
- 10.7 That the Executive note that this report discusses the further work required in relation to establishment of the West Yorkshire UTMC service and that once final agreement has been reached in relation to the operational arrangements for this service a further report be presented to Executive for consideration.

- 10.8 That the Executive notes the proposal that the West Yorkshire UTMC service may be based at the Joint Services building in Morley subject to the outcome of the approval of the Outline Business Case and completion of all necessary legal agreements.

11. APPENDICES

- 11.1 Appendix A - Outline Business Case Submission – West Yorkshire Integrated Urban Traffic Management Control (UTMC) Project.

12. BACKGROUND DOCUMENTS

- 12.1 Outline Business Case Submission – West Yorkshire Integrated Urban Traffic Management Control (UTMC) Project.
- 12.2 Report to the Directors of Development – WY+TF UTMC Project – Strategic Outline Business Case dated 1 December 2017.