



# Cabinet Meeting

## 12 November 2014

<b>Report title</b>	Developing a Shared Urban Traffic Control Development and Design Service	
<b>Decision designation</b>	AMBER	
<b>Cabinet member with lead responsibility</b>	Councillor Peter Bilson Economic Regeneration and Prosperity	
<b>Key decision</b>	Yes	
<b>In forward plan</b>	Yes	
<b>Wards affected</b>	All	
<b>Accountable director</b>	Tim Johnson, Education and Enterprise	
<b>Originating service</b>	Transportation	
<b>Accountable employee(s)</b>	Bob Willis	Urban Traffic Control (UTC) and Traffic Manager
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<b>Report to be/has been considered by</b>	N/A	

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### Recommendation(s) for action or decision:

The Cabinet is recommended to:

1. Approve the proposals regarding the implementation of a merged service with Walsall Council for the provision of urban traffic control (UTC), development and design services to improve operational performance from April 2015.
2. Approve the future development of proposals relating to phase two in respect to establishing formal contractual UTC service provision with Dudley Metropolitan Borough Council (DMBC), Sandwell Metropolitan Borough Council (SMBC) and other agencies.
3. Approve the exploration of the establishment of a fully shared UTC service through a single local authority to the remaining Black Country local authorities and possibly other agencies and to receive a further report on the proposed way forward by March 2016.

## **1.0 Purpose**

- 1.1 The report sets out proposals to initially develop a merged UTC service with Walsall Council and then to explore the potential for a fully developed Black Country shared UTC service.

## **2.0 Background**

- 2.1 The Council operates an extensive network of traffic signals; pedestrian crossings and other associated traffic management equipment. The UTC system, with the aid of the closed circuit television (CCTV) system, is used to monitor and control the highway network and respond to planned and unplanned events. By managing the highway effectively this reduces congestion, contributes to improving road safety and supports the efficient operation of public transport. The UTC centre also manages maintenance of traffic control equipment and provides technical advice and guidance regarding the design and installation of such equipment. Walsall Council operates a smaller but similar network.
- 2.2 The UTC service plays a crucial role in the delivery of the statutory duties set out in the Traffic Management Act 2004 and the West Midlands Local Transport Plan. The principle aim of which is to enable traffic to move safely and freely by reducing disruption and congestion on the highway network.
- 2.3 Wolverhampton's UTC also provides services to DMBC, SMBC, Midland Metro and the Highways Agency by means of on-going service level agreements (SLAs). Walsall do not provide services for other councils.
- 2.4 In line with many other areas of service both UTC services have had to rationalise their employee resources and structure over recent years. For each of the current independent Wolverhampton and Walsall UTC services this inevitably reduces and/or removes surplus capacity or capabilities and can present challenges from time to time to sustain core delivery requirements.
- 2.5 This situation has resulted in Walsall Council approaching the Council early in the year requesting it gave consideration to the merger of the two council's UTC services and possibly later the establishment of a fully shared UTC service. It is felt that such an approach would help in maintaining flexibility in monitoring the availability of the correct level of staffing and skills to the service. Inefficiencies that inevitably result due to reduced team size, pressures of work and over dependence on key staff would be reduced.
- 2.6 Without a sufficiently resourced UTC service, the councils would be unable to ensure the efficient operation of the highway network. Initiatives such as bus priority measures and driver information would have to be removed or support reduced as the service would be unable to exploit any new technology as it becomes available. This would have inevitable reputational consequences for the area and impact on the future ability of the Council to implement a credible succession strategy to reduce reliance on one or two key

staff and ensure a resilient service going forward to support extensions to the CCTV network, links to any successful Business Improvement District (BID), UTC Major Scheme work streams and bus lane enforcement scheduled to commence in April 2015.

- 2.7 From initial discussions with both Dudley and Sandwell, they would also welcome the principle of a merged and then a shared service provision which would then potentially enable them, together with the Midland Metro and the Highways Agency, to enter into a longer term contractual relationship for the provision of UTC services going forward.

### 3. Proposed Phased Approach to UTC Service

- 3.1 The proposed approach developed through discussions and negotiations with Walsall's officers is based on a phased approach.

- 3.2 It is considered that a phased approach will deliver the initial operational improvements whilst developing a framework for a long term sustainable solution as detailed in the table below:

Phase	Description	Milestone
<b>Phase One: Merge of Walsall Council and Wolverhampton City Council UTC services</b>	The initial phase will see the Walsall and Wolverhampton traffic control teams merge and staff relocated to a combined control centre in Wolverhampton.	January – March 2015
<b>Phase Two: Centralisation - Establishment of contractual service arrangements</b>	Currently both DMBC and SMBC have sites that are controlled by Wolverhampton under existing SLAs. A more sustainable and efficient approach may be to consider merging the traffic control service across the four Black Country authorities and delivering through a shared service. The purpose of this phase will be to explore the appetite of neighbouring council's to adopt a common approach and where appropriate merge the service areas.	April - Sept 2015
<b>Phase Three: Service Review - Develop proposals for a fully shared Black Country UTC service</b>	The final phase will consist of a fundamental service review of the provision of UTC services to determine if a fully shared service model from a single authority to the other BC authorities (or other agencies) should be established and if so how to be implemented.	Sept 2015 - March 2016

- i) Phase One – Merger of Wolverhampton City Council and Walsall Council UTC services

- 3.3 As part of the first phase of works a comparison of the existing operational and service standards in Wolverhampton and Walsall have been assessed in order to establish how a merged UTC service will operate. This is summarised in Appendix A. In respect to the merged service, it is proposed that the service is split between two key areas consisting

of the operation and control of UTC systems, and the design and development of new and existing intelligent transportation systems (Appendix B).

- 3.4 As the UTC services offered by each council in terms of operating hours, contractual arrangements and the scope of service and functions carried out are very similar, it is considered that this does not provide any barriers to a merged service.
- 3.5 It is considered that the merge will enhance the network and deliver an integrated UTC service across both Councils. The merge will support the work streams developed under the UTC Major Scheme such as the roll out of the wireless network, journey time monitoring and implementation of a common database.
- 3.6 It is proposed that under phase one, all staff will remain in post and employed by their existing employer on their current terms and conditions. Consultation will take place with Walsall staff due to the relocation of the UTC centre operating from a joint control centre based at Wolverhampton, Heantun House. As the terms and conditions of staff employed by Wolverhampton will not change, formal consultation is not required; however, Wolverhampton employees will be fully engaged and informed on the establishment of the merged working arrangements.
- 3.7 Subject to approval, arrangements will be made prior to the merge to transfer and relocate Walsall's UTC/CCTV communication links and associated equipment to Heantun House. This will be funded by Walsall in order to access Wolverhampton's facilities.
- 3.8 The UTC control room currently located at Heantun House will provide adequate accommodation for staff and the associated equipment requirements. Due to the Westside development of the city, approval has previously been gained to relocate the UTC control centre based at Heantun House to the Civic Centre, Wolverhampton (autumn 2015). Walsall will contribute towards accommodation and facility costs associated with the current location and the relocated UTC centre, these cost are yet to be confirmed. The phase one merge proposals do not impact on the Westside regeneration timeline.
- 3.9 As stated previously, the proposals are supported by DMBC following discussions regarding the extension of the SLA and provision of UTC services delivered by both Wolverhampton and Walsall. Discussions will also take place with SMBC regarding the future arrangements of the service.

ii) Phase Two – Centralisation: Establishment of contractual service arrangements

- 3.10 The Council provides separate SLAs to DMBC and SMBC for the provision of UTC services. Following initial discussions with DMBC, they have expressed an interest to move from the current arrangements to a contractual arrangement for the provision of UTC services. As the current SLA with DMBC expires on the 31 March 2015, an extension to the SLA under the current terms will be implemented for a six month period from the 1 April 2015 in line with the implementation of phase two scheduled September

2015. During this period, the level of services and contractual arrangements to be provided will be developed between Wolverhampton and Dudley.

- 3.11 SMBC has also expressed interest in the development of closer working arrangements with Wolverhampton. The current SLA with SMBC expires on the 31 March 2016; however, discussions will take place to explore closer working arrangements for the delivery of UTC services.
- 3.12 The income generated from UTC services provided to DMBC, SMBC and other agencies will be retained by Wolverhampton in phase one and reviewed in phase two. This will enable any future apportionment of costs to reflect the level of resources each authority contributes in providing the service.
- 3.13 As part of the discussions cited in 3.10 and 3.11, it is expected that phase two will be completed by September 2015.

iii) Phase Three – Service Review: Develop proposals for a fully shared Black Country UTC service

- 3.14 A fundamental service review of UTC services operating from Wolverhampton will be carried out. The review will cover the provision, scope and delivery of UTC services in order to develop a shared Black Country UTC centre (Dudley, Sandwell, Walsall and Wolverhampton). This will consist of a management restructure and review of posts and roles to ensure the delivery of a comprehensive service in order to provide greater resilience and expertise to deliver a common approach across the region.
- 3.15 A shared Black Country UTC service will provide a wide range of integrated traffic management functions across the region to enhance operational efficiencies, manage roadwork's, control traffic, improve journey times along strategic routes, reduce traffic congestion and carbon emissions. This will seek to deliver additional savings from reduced operation, system, maintenance, accommodation and service costs, maximise opportunities to provide UTC services to external organisations and explore opportunities to generate potential new income streams.
- 3.16 As phase three investigates the provision of a regional Black Country UTC centre based at Wolverhampton, this introduces the possibility of staff transfer of undertakings (protection of employment) regulation (TUPE) arrangements. Further clarification regarding TUPE will be sought with HR, trade unions (TU) and employees during this phase.

#### **4.0 Financial implications**

- 4.1 During phases one and two the salary and associated operating system costs will be retained by each authority. The salary costs associated with Wolverhampton will remain at £275,000 (seven full time staff members including all UTC and traffic management) with operating costs at £60,000 (ancillary, Matisse, UTC and CCTV system costs).

- 4.2 Savings from shared transport services of £25,000 in 2015/16 and a further £25,000 in 2016/17 are included in the updated Medium Term Financial Plan approved by Cabinet in October 2014. Due to the integration of the UTC/CCTV systems, the cost of maintenance associated with each system will be reviewed annually and apportioned by the amount of equipment each council connects. This will deliver initial savings of approximately £23,000 to Wolverhampton with no additional costs to facilitate the merged service in 2015/16. Further savings from the transfer of obsolete British Telecom analogue telecommunication circuits to wireless technology may reduce UTC telecommunication costs to contribute to the 2016/17 savings target.
- 4.3 Future software and hardware UTC system upgrade costs will be apportioned by the equipment connected to the system by Wolverhampton and Walsall.
- 4.4 Walsall will contribute towards the accommodation and facility costs associated with the transfer of equipment to Heantun House and relocation of the UTC centre to the Civic Centre, Wolverhampton. Facility and accommodation costs will be reviewed on an annual basis and are yet to be confirmed.
- 4.5 It is acknowledged that the rate and progress or volume of work undertaken will be influenced by each council's revenue and capital works programmes. As the budgets available will differ, it is important to maintain and work towards an agreed service plan to provide consistency and standardise the levels of service based on affordability, deliverability and sustainability.
- 4.6 Financial responsibility for each council will be retained by each respective manager through phases one and two to ensure key accountability through each council's management structure and appropriate financial reporting requirements.
- 4.7 The financial issues arising from the development of a fully shared service as proposed in phase three will be more significant. Though this will generate opportunities for efficiency savings it will also raise issues around cost apportionments, TUPE arrangements, pensions' liabilities, redundancy costs, asset ownership etc. These will need addressing in the next phase of the project development.  
[MF/29102014/S]

## **5.0 Legal implications**

- 5.1 The proposals support the Council's statutory duty under the Traffic Management Act 2004, and the congestion reduction objectives outlined within the West Midlands Local Transport Plan. The Traffic Management Act 2004 places a duty on local traffic authorities to make sure that traffic can move freely and quickly on their roads and on the roads of nearby authorities.
- 5.2 All staff must ensure all systems are operated in compliance with all regulatory and legal requirements pursuant to the Traffic Management Act 2004, Data Protection Act 1998 and all other regulatory legal requirements.  
[RB/30102014/Q]

## **6.0 Equalities implications**

- 6.1 Improving the highway and transportation network creates equal opportunity for all social groups within society to gain equal access to services and facilities. The UTC centre plays a role in terms of the wider social, economic and environmental impact of traffic on the strategic road network.

## **7.0 Environmental implications**

- 7.1 The principle aim of the merge is to deliver an enhanced UTC service to ensure all systems are used effectively and efficiently to reduce traffic congestion and enhance public transport. This will benefit the local environment and communities, improve air quality, health and well-being. This supports sustainability initiatives and regeneration priorities 'to make Wolverhampton a better place to live, work and visit'.

## **8.0 Human resources implications**

- 8.1 The proposed structure has been considered from an operational aspect and reviewed by HR for each council. Based on advice received, in phases one and two staff will remain employed by their existing employer on the same terms and conditions.
- 8.2 In phases one and two staff will remain with their current employer on existing terms and conditions and merge into a single operating centre located at Wolverhampton. This model simplifies HR related issues surrounding staff transfers as all staff will work together in a co-located model but employed by different employers. In general, any differentials in pay and terms are relatively small. In the short term this will be managed locally by each employer; however, in the long term this will be addressed through the phase three service review.
- 8.3 The potential development of a fully shared service model by March 2016 through a single local authority is likely to have TUPE implications. These will be considered through appropriate due diligence processes and the service redesign and restructure will be subject to appropriate consultation with employees and their TU representatives in line with our statutory duties and HR policies.

## **9.0 Corporate Landlord Implications**

- 9.1 The report raises a number of issues relating to the Corporate Landlord. As stated it has previously been agreed that to release the Westside area of the City Centre, the existing UTC facility will need to be relocated into the Civic Centre. This has been planned for including budget provision as part of the Future Space Programme and City Centre regeneration programmes.
- 9.2 Corporate Landlord is represented at both the Westside Project Team Meeting which includes the UTC relocation and the Operational Land & Property Board.

## **10.0 Schedule of background papers**

- 10.1 n/a

## Appendix: A

<b>Table 1 – Comparison of service standards</b>		
<b>Service Standard</b>	<b>Wolverhampton City Council</b>	<b>Walsall Council</b>
<b>Opening hours shift patterns</b>	<b>Mon- Fri 07:00 – 19:00</b> (Mon: 07:00-15:30; 11:30-19:00) (Tue –Thu: 07:00-15:30; 11;00-19:00) (Fri: 07:00-12:00; 11:00-19:00) <b>Sat 09:00 – 17:00</b> <b>Sat (match day)10:00-18:00</b>	<b>Mon- Fri 07:00 – 18:30</b> (07:00-15:00; 10:30-18:30)  <b>Sat 08:00 – 16:00</b>
<b>Out of hours cover</b>	24 hour call centre with first line attendance via street lighting then signal contractor.  Events managed through overtime / time off in lieu (TOIL) payments as long as costs recovered – opportunities for income generation.	24 hour call centre with first line attendance via street lighting then signal contractor.  Events managed through overtime / TOIL payments as long as costs recovered.
<b>Signal inspection regime</b>	Annual 1 annual signal contractor inspection	Bi-annual 1 annual Local Authority inspection 1 annual signal contractor inspection
<b>Supply, installation and maintenance of UTC system</b>	Joint 4 year contract (June 2017) – Wolverhampton, Dudley, Walsall and Telford & Wrekin for the supply, installation and maintenance of UTC computer and associated equipment.	
<b>Supply, installation and maintenance of traffic signal equip</b>	Joint 4 year contract (June 2017) - Black Country & Telford & Wrekin for the supply, installation and maintenance of traffic signal and associated equipment.	
<b>Supply, installation and maintenance of bus priority</b>	Joint 4 year contract (June 2017) - Wolverhampton, Dudley, Sandwell, and Walsall for the supply, installation and maintenance of bus priority equipment.	
<b>CCTV (closed circuit television) system maintenance</b>	Service provided by TYCO (pay as you go). Currently awaiting tender approval.	Service provided for 10 cameras and associated in-station by ADT costing £12,145 per annum. Fault attendance within 4 contract hours; 24 hours per day every day of the year. No performance rebates. Maintenance contract managed in partnership with Social Care as part of wider CCTV arrangements. Contract expired but extended under an urgent waiver until April 2015. New contract being developed.
<b>Telecommunications</b>	Analogue – Leased service	Analogue – Leased service currently



	<p>currently with network providers. Being phased out with wireless services to reduce revenue costs. Contract to be developed for the supply, installation and maintenance of wireless services by December 2014.</p> <p>Wireless – Infrastructure being developed and expanded. Maintenance contract with BT ends December 2014.</p>	<p>with network providers. 2 pair and single pair analogue lines maintained by BT. Being phased out with wireless services to reduce revenue costs. Contract to be developed for the supply, installation and maintenance of wireless services by December 2014.</p> <p>Global System for Mobile communications (GSM) – Modems at 2 junctions and 1 pelican crossing.</p> <p>Janus – 2 sites in Bloxwich linked to Mesh</p> <p>Wireless – Infrastructure being developed and expanded. Maintenance contract with BT ends December 2014.</p> <p>CCTV – Dial up cameras 15 on 3G and 2 on 4G (no maintenance agreement in place).</p>
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## Appendix B

The table below outlines the proposed merged service standards:

Service standard	Merged UTC
<b>Opening hours</b>	Mon- Fri 07:00 – 19:00 (07:00-15:00; 10:30-19:00) Sat 09:00 – 17:00 Sat (match day)10:00 - 18:00
<b>Out of hours cover</b>	Sunday and overnight cover rota (subject to Local Agreement and agreed income)
<b>Signal inspection regime</b>	Annual (signal contractor) 1 local authority inspection every 2 years
<b>UTC system</b>	Supply, installation and maintenance of UTC computer and associated equipment as per contract. Currently with Imtech (4 years) ends April 2017
<b>Traffic signals</b>	Supply, installation and maintenance of traffic signal and associated equipment. Contract 4 years ends June 2017.
<b>CCTV system</b>	Maintenance of CCTV computer and associated equipment as per contract. Currently awaiting tender assessment. Contract 3+2 years ends June 2019.
<b>Telecommunications contract</b>	New contract to be developed covering all wireless telecommunications across Wolverhampton, Dudley, Sandwell, Solihull and Walsall
<b>Variable message signs</b>	New contract to be developed for the supply, installation and maintenance of VMS and associated equipment
<b>Operation capability</b>	Undertake operation, management and maintenance of all Intelligent Transport Systems and Information Management Systems. Includes Split Cycle Offset Optimisation Technique (SCOOT), Microprocessor Optimised Vehicle Actuation (MOVA), UTC, Urban Traffic Management and Control (UTMC), journey time monitoring, Mattisse, variable message signs (VMS), and car park guidance. Dissemination of information to the travelling public via media stations.
<b>Design capability</b>	Undertake all Intelligent Transport System design work across Wolverhampton and Walsall. Includes traffic signal, pedestrian crossing, VMS, bus priority, CCTV, journey time monitoring, Astrid, SCOOT, MOVA,
<b>Enforcement systems</b>	Supply, install and maintain bus lane enforcement systems and other associated systems across Wolverhampton & Walsall. Excludes back office functions which will be undertaken by each authorities parking services teams. Operation and maintenance cost recovery model.
<b>SLAs</b>	DMBC (12 month extension; full review 31 March 2016) Midland Metro (25 year contract with Centro in place) SMBC (3 year SLA; Review 31 May 2016) Highways Agency (3 year SLA; Review 31 May 2016)