



Strategic Transport Forum

15th May 2020

Agenda Item 6: Pathway to Statutory Status

Recommendation:

It is recommended that the Forum:

- a) Agree the proposed core functions for a statutory Sub-national Transport Body (para 2,2)**
- b) Consider and comment on the potential other transport functions that a statutory body might seek (para 3.3)**
- c) Agrees the next steps for developing the proposal**

1. Context

- 1.1. The Political leadership of England's Economic Heartland, together with the Strategic Transport Forum, has expressed a desire to seek statutory status for the Sub-national Transport Body.
- 1.2. This has always been on the basis that:
 - Any proposal to seek statutory status would complement the existing role of Local Transport Authorities and Mayoral Combined Authorities
 - The proposal would only seek those powers that are proportionate and necessary to achieve the strategic aims and objectives of the regional Transport Strategy
 - The proposal would be developed in parallel with the work on the Strategy.
- 1.3. The Transport Strategy provides the basis for the development of the region's transport infrastructure and services in support of planned growth. The implementation section of the Strategy sets out the need to adopt a whole-system approach, one that brings consideration of individual networks together as a single transport system.
- 1.4. Ultimately delivery of specific proposals will remain the responsibility of individual infrastructure owners and service providers. However, implementation at the regional level will complement and build upon their role, providing added value in three ways:
 - Strategic influence – ensuring the regional voice, through the Strategic Transport Forum shapes the development of national investment programmes, overseen by the Government and delivered by Network Rail, East West Rail Company and Highways England

- Co-ordination – providing the mechanism for developing and implementing solutions which offer most benefit at a regional scale
 - Accelerating delivery – helping to ensure that schemes and initiatives which cross local authority boundaries are delivered efficiently and that the benefits for our communities and businesses are realised as soon as possible.
- 1.5. It is for the Local Transport Authorities and Mayoral Combined Authority to determine the content of a proposal and to agree to submit to the Secretary of State for his consideration.

2. General Functions

- 2.1. The power to establish a statutory Sub-national Transport Body derives from Part 5A of the Local Transport Act 2008.
- 2.2. In developing the proposal this would set out a range of 'general functions' as set out in Section 102H(1) of the Act, including:
- a) To prepare a transport strategy for the area
 - b) To provide advice to the Secretary of State about the exercise of transport functions in relation to the area (whether exercisable by the Secretary of State or others)
 - c) To co-ordinate the carrying out of transport functions in relation to the area that are exercisable by different constituent authorities with a view to improving the effectiveness and efficiency in carrying out those functions
 - d) If the STB considers that a transport function in relation to the area would more effectively and efficiently be carried out by the STB, to make proposals to the Secretary of State for the transfer of that function to the STB; and
 - e) To make other proposals to the Secretary of State about the role and functions of the STB.
- 2.3. The general functions as set out above would form the core functions of the statutory body and would build on the collaborative working that the partners have undertaken during the last 5 years.
- 2.4. Whilst the remit of the statutory can be amended once established that would only be possible with the formal consent of all the partners.
- 2.5. The proposal would need to recognise that the Secretary of State would remain the final decision-maker on national transport strategies. However, the added value for the partners of establishing a statutory body will be that the Secretary of State must have regard to a Sub-national Transport Body's Transport Strategy.
- 2.6. In addition it is likely that the proposal would seek to apply certain local authority enactments to the statutory body as it were a local authority, including matters relating to staffing arrangements, pensions, ethical standards and provision of services, etc.
- 2.7. In keeping with proposals being developed by other Sub-national Transport Bodies it would be appropriate to seek the functional power of competence as set out in section 102M of the Local Transport Act 2008.

3. Other Transport Functions

- 3.1. Building on the regional Transport Strategy the case could be made to seek a number of additional powers: these being required to support the implementation of the Strategy.

- 3.2. For those powers that would be in addition to the general functions relating to the statutory STB, the intention would be requested in a way that means they operate concurrently with the consent of the constituent authorities.
- 3.3. Potential powers that might be considered include:
- a) *The right to be consulted about new rail franchises* – whereby EEH would have to be consulted before the Secretary of State issues any invitation to tender for a franchise agreement
 - b) *The right to have a role in setting the High Level Output Specification (HLOS) for rail* – whereby EEH would be able to act jointly with the Secretary of State to set and vary the HLOS for the area
 - c) *The right to have a role in setting the Road Investment Strategy (RIS) for the Strategic Road Network* – where EEH would be able to act jointly with the Secretary of State to set and vary the RIS in our area
 - d) *The ability to enter into agreements to undertake certain works on the Strategic Road Network, Major Road Network or local roads* – this would enable EEH (working with partners) to promote and expedite delivery of regionally significant cross-boundary schemes
 - e) *The ability to make capital grants for the provision of public transport facilities* – this would enable EEH to support the funding and delivery of joint projects with constituent authorities
 - f) *The ability to secure the provision of bus services* – travel to work areas do not respect local authority boundaries and this would enable EEH (working with partners) to fill in identified gaps in bus service provision
 - g) *The ability to enter into Quality Bus Partnerships* – this would enable EEH (working with partners) to expedite the introduction of partnership schemes covering more than one local transport authority area
 - h) *The ability to introduce integrated ticketing schemes* – this would enable EEH (working with partners) to expedite the introduction of cost effective smart and integrated ticketing system on a regional
 - i) *The right to promote or oppose Bills in Parliament* – this would enable EEH to promote, co-ordinate and fund regionally significant infrastructure schemes, accelerating delivery of cross-boundary schemes
- 3.4. At the same time as considering what powers a statutory STB might have, it is also important to be clear that the following functions **would not be appropriate** for the new body:
- Setting priorities for local authorities for roads that are not part of the Major Road Network
 - Being responsible for any highway maintenance responsibilities
 - Providing the services of a train operating company
 - Any consultation function currently the responsibility of a local authority
 - Giving directions to a constituent authority about the exercise of transport functions by that authority in their area
- 3.5. The Williams Review, to which EEH submitted a response, could recommend significant changes to the structure of the rail industry, including the role of STBs in both rail operations and infrastructure enhancement. As a result it would be prudent to keep the following functions under review as potentially being appropriate for a statutory STB:
- Acting as co-signatories to rail franchises

- Being responsible for rail franchising
- 3.6. It should be noted that any change in the powers of a statutory Sub-national Transport Body would require the consent of the constituent authorities to submit a proposal to the Secretary of State for his consideration.

4. Next Steps

- 4.1. Following the Forum's consideration of this proposal, the next steps in the pathway to statutory status would be:
- a) To publish the draft proposal for consultation alongside the draft Transport Strategy in July 2014 and seek views from partners within the region and beyond
 - b) Following the consultation the Forum would, in the autumn, consider the responses and determine whether to take forward the proposal
 - c) Subsequently, it would be for individual constituent authorities to consider the detail of the proposal through their own governance frameworks
 - d) Submission of a proposition to the Secretary of State in spring 2021, this would enable the statutory body to be established in spring 2022.

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