

England's Economic Heartland Strategic Alliance Strategic Transport Forum

13th May 2016

Agenda Item 6: Sub-national Transport Body

Recommendation:

It is recommended that the meeting note the contents of the report

1. Context

- 1.1. Forum members were briefed at their first meeting on the commitment of the Strategic Alliance Leaders (the Local Transport Authority Leaders and Local Enterprise Partnership Chairmen) to explore the potential of a statutory Sub-national Transport Body – the ambition being that a proposal be prepared for submission by the end of the year (2016).

2. Programme Update

- 2.1. The Programme Team continues to liaise with officials in Department for Transport on the process for preparing and submitting a bid. DfT is developing more detailed guidance and gaining practical experience of the process through its on-going engagement with other potential Sub-national Transport Bodies (Transport for the North and Midlands Connect).
- 2.2. The liaison with DfT is on-going and is proving beneficial to the Programme Team as it takes forward the work programme agreed with the Alliance Leaders.
- 2.3. At the end of March the Alliance published a background document (Appendix 1) as the first stage in engaging a wider stakeholder audience as part of the process for developing a detailed proposal.
- 2.4. The background document was sent out to:
 - Existing Strategic Alliance partners
 - Relevant Government departments and associated companies (Highways England, Network Rail)
 - Public Transport Operators (train operating companies, bus operators)
 - Local Planning Authorities across the Heartland area
 - 'Relevant Authorities' adjoining the Heartland area – i.e. adjoining Local Transport Authorities
- 2.5. Two workshops were organised as part of the engagement process. Those receiving the background document were invited to participate in the workshops, the purpose of which was to afford everyone with the opportunity to understand the context for a Sub-national Transport Body and to use the questions included in the background document as the basis for an initial discussion.

- 2.6. The workshops were held on 20th and 26th April and were well attended, with a good mixture of representatives from across the five groupings of stakeholders. The output from the workshops is still being collated, along with a number of written responses received separately.
- 2.7. A consistent theme has been recognition amongst stakeholders of the opportunity afforded by a Sub-national Transport Body to improve the co-ordination and integration of transport functions. There was recognition of the importance of the need for a Sub-national Transport Body to be of sufficient scale to enable strategic (sub-national) planning and the importance of being clear as to its purpose and the outcomes sought. There was a clear consensus as to the merits of continuing with the discussion and exploring the opportunity in more detail.
- 2.8. Building on the initial engagement a more detailed mapping of stakeholders is now underway as part of the next stage in developing a detailed proposal. Discussions will continue over the course of the next 2-3 months developing an initial draft of the proposal with a view to undertaking a round of stakeholder engagement later in the summer.

Programme Director

May 2016

A Sub-national Transport Body: A Strategic Opportunity

Background Document

Strategic transport infrastructure and services are central to our economic success.

Our experience and requirements of transport are continually changing, a consequence of evolution in global markets and lifestyle changes – many of which are driven by technology enabled innovation.

As one of the most economically successful areas in the UK we know that a failure to maintain our current infrastructure or to invest in its capacity will put our current economic success at risk. More importantly it will act as a brake on our ability to realise our economic potential to the full.

If we are to meet the future expectations of businesses and residents we need a new approach.

We need to break down the traditional transport ‘silos’ and transcend local authority boundaries and deliver a truly integrated transport system, one that offers choice, reliability and flexibility – a system that is truly centred on the needs of the transport consumer.

What we need is a new approach to strategic transport planning, delivery and management.

This document has been prepared by England’s Economic Heartland Strategic Alliance. In accordance with the requirements of the legislative framework, it has been shared with ‘appropriate authorities’ that adjoin the Heartland area.

England’s Economic Heartland Strategic Alliance

The Strategic Alliance brings together Local Transport Authorities and Local Enterprise Partnerships stretching from Oxfordshire to Cambridgeshire in a common endeavour.

The Alliance partners share a common aim: to look beyond current success and through collaborative work look to:

- Raise productivity to match, and where possible exceed, that of our global competitors
- Tackle barriers to the delivery of economic growth

It is an initiative that is driven by recognition of the fact that:

- Strategic transport issues (and solutions) extend beyond any one local authority boundary
- There is a need for stronger integration of investment by local authorities, Government (and its agencies), infrastructure owners (such as Highways England and Network Rail) and service providers (such as train operating companies and bus companies)

- There is a need to make the case for sustained levels of investment in infrastructure and services in response to pressures arising from economic success and to provide the capacity for economic growth

In this way the Strategic Alliance partners look to:

- Strip away duplication and remove inefficiencies, enabling faster, more agile decisions
- Simplify funding streams wherever possible so that the time (and cost) taken to develop proposals and get them delivered on the ground is reduced
- Provide greater certainty for private sector investors thereby encouraging them to commit sooner to investments with greater confidence

Strategic Transport Infrastructure: central to economic competitiveness

England's Economic Heartland is an economically successful area: with an economy valued at £92.5bn, it is as large as the Welsh economy.

Home to 3.45m people, the Heartland's 175,000 businesses employ 1.65m people.

Just like a business we know that we cannot take our economic success for granted. We know that there is no guarantee that our inherent advantages as a place for business to invest will be realised.

We know that a failure to maintain our infrastructure or to invest in additional capacity will put our current success at risk: we know that our competitive position globally will decline.

We know all of this from our evidence base: our levels of economic productivity are amongst the highest in the country and yet there remains a gap with the best of our global competitor regions.

Pressures on our strategic transport infrastructure and services continue to grow: a consequence of our economic success.

Without investment in our strategic transport infrastructure or services the levels of service we can offer will decline, making it harder to attract future private sector investment.

But we also know that tackling the pressures on our strategic transport system will also benefit the UK as a whole. For the strategic transport corridors that criss-cross England's Economic Heartland are the arteries that also support ambitious plans for economic growth in the Midlands, the Northern Powerhouse and beyond.

Strategic Transport Forum: a demonstration of our commitment

The Strategic Transport Forum is the Alliance partners' first step in response to the challenges that face our strategic transport infrastructure and services.

Established in February 2016, it forms the focus for realising a step-change in collaborative working between public and private sectors, between national and local agencies, between Political leaders and service providers.

The Forum's ambitious programme of work is a demonstration of the Strategic Alliance partners' commitment to begin addressing the challenges across the Heartland.

Building on our existing evidence base the Strategic Transport Forum is developing an overarching transport strategy: one that will enable the Alliance partners to ensure the Heartland's strategic priorities to be reflected in this autumn's initial discussion on strategic infrastructure priorities for Highways England's road network, and Network Rail's infrastructure.

With an emphasis on delivery, our transport strategy will provide a framework through which the Alliance partners will work with its private sector delivery partners to pursue a new approach to the management and operation of our transport networks.

But we also know that if we are to be truly successful in responding to the challenges facing the Heartland's strategic transport infrastructure, the Forum is only a stepping stone.

We need to go further and use the Strategic Transport Forum as a spring board for developing a proposal for a statutory Sub-national Transport Body.

A Sub-national Transport Body: a strategic opportunity

The Strategic Alliance partners have made a commitment to explore the potential benefits of a Sub-national Transport Body.

We believe this offers the opportunity to provide the leadership in planning, delivering and managing transport infrastructure and services that is needed in order to deliver a truly integrated transport system: one that enables the Heartland area to realise its full economic potential, enabling it to compete effectively in what is an ever increasingly tough global market.

The scope for a Sub-national Transport Body and the powers sought from central Government are for local partners to determine.

It will, as an absolute minimum, have the responsibility for preparing and maintaining a Transport Strategy for the Heartland area: one that has the weight of being a statutory document.

The Sub-national Transport Body could potentially:

- Seek to take on responsibility for identifying a Major Road Network – one that combines both Highways England's Strategic Road Network and the more strategic roads owned by the Local Transport Authorities
- Seek to take on responsibility for managing, and identifying investment in, the Major Road Network, including that currently managed through the Roads Investment Strategy
- Seek a directing role in managing, and identifying investment in, the rail infrastructure
- Seek a role in specifying and letting of future passenger rail franchises where they operate in the Heartland area
- Seek the ability to take on powers set out in the forthcoming Buses Bill in respect of ensuring a high quality bus network and enhancement of the local bus offer in partnership with the bus operators

- Seek to take on responsibility for enabling the widespread adoption of smart ticketing technology
- Seek a role in identifying and implementing measures that improve the overall resilience of the transport system as a means of supporting economic activity

In developing a draft Expression of Interest for the Sub-national Transport Body the Alliance partners will work closely with the business community, infrastructure owners, service providers, local planning authorities and other interested organisations to ensure the scope of the proposal meets the needs of the Heartland area.

In this way, for the first time, we will have a statutory Transport Strategy for England's Economic Heartland, giving us the means of realising a truly integrated transport system.

The National Infrastructure Commission

The National Infrastructure Commission forms part of the Government's commitment to 'shake Britain out of its inertia' when it comes to infrastructure planning and delivery.

The Commission is already working in 'shadow' form, providing the Government with advice on a small number of specific challenges. In parallel, work has begun on developing a longer-term view (10-30 years) of the UK's infrastructure requirements.

In March 2017 the Chancellor of the Exchequer agreed that the Commission would undertake a detailed review and make recommendations as to how to maximise the potential of the Cambridge-Milton Keynes- Oxford corridor as a single, knowledge intensive cluster that competes on a global stage.

The Government will shortly introduce legislation that establishes the Commission on a formal basis. The Commission will have an obligation to engage with relevant public bodies at a sub-national level.

Establishing a Sub-national Transport Body will provide local partners with a mechanism for ensuring that our locally determined infrastructure requirements are reflected in the work of the Commission.

Developing the Expression of Interest

This background document has been prepared as the first step in the process for developing an Expression of Interest.

Its purpose is to raise awareness of the opportunity to promote the establishment of a Sub-national Transport Body.

The Alliance partners are seeking initial views on the principle of such a body. We are also seeking your initial thoughts on what might be the most appropriate geography for such a body, the potential scope of the powers and responsibilities it might need, as well as seeking out interest amongst other organisations to be involved in the preparation of the Expression of Interest.

These will be used to help shape the development of a draft Expression of Interest. It is expected that as part of this process there will be an on-going dialogue with interested partners over the course of the spring/summer.

A key part of developing a draft Expression of Interest will be the need to develop a governance proposal that is fit for purpose.

Throughout this process the Alliance partners will take into account, and build upon proposals agreed by local partners with Government as part of its 'devolution' agenda and any other changes in organisational structure at the local level that may emerge.

A consultation on the draft Expression of Interest will follow in due course, in accordance with the requirements of the legislative framework. The ambition is that this will take place during the late summer/early autumn 2016

The ambition is that the Expression of Interest will then be submitted to Government by the end of 2016 for its consideration in the first half of 2017.

How to Respond

Responses to this background document are sought by **5:00pm on Friday 29th April** and can be submitted:

- By email to: mtugwell@buckscc.gov.uk
- In writing to: England's Economic Heartland Strategic Alliance
Programme Office
c/o Buckinghamshire County Council
County Hall
Walton Street
Aylesbury, HP20 1UA

England's Economic Heartland Strategic Alliance The Alliance Partners

Oxfordshire County Council	Oxfordshire Local Enterprise Partnership
Northamptonshire County Council	Northamptonshire Enterprise Partnership
Buckinghamshire County Council	Buckinghamshire Thames Valley Local Enterprise Partnership
Milton Keynes Council	South East Midlands Local Enterprise Partnership
Bedford Borough Council	Oxfordshire Growth Board
Central Bedfordshire Council	
Luton Borough Council	
Cambridgeshire County Council	

Questions

Your initial views are sought on any issue raised or arising from this background document: we would particularly welcome your initial thoughts on the following:

- Q1: Do you agree that a statutory Sub-national Transport Body would give local partners the forum that allows them to provide the leadership required to deliver a truly integrated transport system?
- Q2: Do you agree that the focus of a statutory Sub-national Transport Body should be strategic, and that local transport issues continue to be the responsibility of Local Transport Authorities?
- Q3: What do you consider is the most appropriate geography for a statutory Sub-national Transport Body?
- Q4: A Sub-national Transport Body could potentially:
- Seek to take on responsibility for identifying a Major Road Network – one that combines both Highways England's Strategic Road Network and the more strategic roads owned by the Local Transport Authorities
 - Seek to take on responsibility for managing, and identifying investment in, the Major Road Network, including that currently managed through the Roads Investment Strategy
 - Seek a directing role in managing, and identifying investment in, the rail infrastructure
 - Seek a role in specifying and letting of future passenger rail franchises where they operate in the Heartland area
 - Seek the ability to take on powers set out in the forthcoming Buses Bill in respect of ensuring a high quality bus network and enhancement of the local bus offer in partnership with the bus operators
 - Seek to take on responsibility for enabling the widespread adoption of smart ticketing technology
 - Seek a role in identifying and implementing measures that improve the overall resilience of the transport system as a means of supporting economic activity

What powers do you think it would be appropriate for a potential Sub-national Transport Body?

Are there any other powers that you think could or should be sought for a potential Sub-national Transport Body?

- Q5: Are there any other policy or planning issues need to be taken into consideration in developing the draft Expression of Interest?
- Q6: Are there any other bodies or organisations that should be involved in the development of a draft Expression of Interest for a Sub-national Transport Body?