

# England's Economic Heartland Strategic Alliance Strategic Transport Forum

22<sup>nd</sup> July 2016

## Agenda Item 7: Sub-national Transport Body

**It is recommended that the Forum note the update on the work to develop the proposal for a Sub-national Transport Body**

### 1. Context

1.1. Underpinning the Strategic Alliance was a common aim to look beyond current success and:

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

Recent events arguably serve only to reinforce the importance of realising that aim.

1.2. The Strategic Alliance initiative continues to gather momentum. It is increasingly the case that when discussion turns to issues relating to strategic transport policy and planning the Alliance is included alongside TfN and Midlands Connect.

1.3. Support for the concept of statutory Sub-national Transport Bodies within DfT remains very strong. Advice on the process for developing a STB proposal is due to be published shortly. Informally the steer remains the same: STBs will be genuinely strategic and cover a significant area. As a result STBs will be few in number.

1.4. Other parts of Government – such as Highways England - are also stepping up their work with emergent STBs. At a recently Highways England organised workshop, officers representing the Strategic Alliance were invited to join colleagues from TfN and Midlands Connect and explore how the emergent STBs might work with Highways England on the input into the next Roads Investment Strategy.

1.5. The Strategic Alliance has previously talked in terms of looking to co-produce investment programmes as a stepping stone on the path towards establishing the STB. The added benefit of such an approach is that it enables the Alliance partners' perspective to shape work commissioned by Highways England.

1.6. Returning to the original aim underpinning the Strategic Alliance, the need to ensure our economy is competitive in global markets suggests that the pace of the current work programme should be maintained.

1.7. A by-product of the Highways England organised workshop was an agreement at officer level for the three emergent STBs to step up their collaborative working – offering each the opportunity to share insight and experience to mutual benefit. Moreover as other areas begin to consider the potential of establishing an STB there is scope for further co-operation across England.

## 2. Developing the Proposal

2.1. The work programme commits the Alliance partners to a second round of engagement on a more detailed proposal over the course of the summer. The arrangements for the engagement will need to be mindful of emerging advice from DfT as consultation with stakeholders is a requirement of the legislation for establishing an STB.

2.2. The proposal will need to consider a number of specific issues, including:

- a) *Governance* – previous briefings from senior DfT officials have emphasised the importance of a Political Board providing the leadership and accountability in governance terms.

The working assumption is that the Board will also include Board members from the Local Enterprise Partnerships. The working assumption is that representatives from Government (DfT) and associated companies (Highways England and Network Rail) will be part of the Board, with potentially the relationship with the associated companies managed through MoUs with each one. This would be consistent with the approach adopted by TfN but may evolve over time as the STB becomes established and devolution of powers (and funding) from Whitehall to the STB follows.

Given the importance of strategic transport policy and planning to the planning of future growth there will be a need to set out how the STB will link into the land use planning framework. In developing the governance arrangements the intention is to learn from experience gained in other emergent STB areas, whilst ensuring that the Political Board remains focused on strategic transport issues.

- b) *Geography* – in order to submit the proposal to establish the STB there will be a need to agree the geographical extent of it. The second round of stakeholder engagement once again offers other interested parties to set out – should they wish – a case as to why they would wish to be included within the proposed STB.

It is worth restating the fact that within the legislative framework there is scope for the boundary of an STB to be amended at some future date should it be required. In that regard the submission of the STB proposal to Government does not represent the only opportunity to determine the appropriate geography.

Past approaches to sub-national (regional) planning had to deal with cross-boundary issues, and so it will be the case with statutory STBs.

- c) *Powers to be Sought* – this meeting will recall that the legislative framework for establishing an STB is ‘enabling legislation’ – the only requirement prescribed in the legislation being the responsibility of the STB to prepare, publish and keep up to date the Transport Strategy (which the SofS is required by statute to take into account in discharging their duties).

The working assumption in preparing the document for the next meeting to consider is that, in order for the Strategic Alliance partners to realise their overarching ambition, the proposal for an STB should at the very least seek the following powers:

- Responsibility for identifying the Major Road Network

- Responsibility for identifying investment in the Major Road Network, including that currently managed through the Roads Investment Strategy
- A role in managing the operation of the Major Road Network as part of an integrated transport system
- A role in identifying investment in rail infrastructure
- A role in specifying and letting of future passenger rail franchises – e.g. East-West Rail
- A role in ensuring a high quality bus network and enhancement of the local bus offer in partnership with the bus operators – Enhanced Partnership (enabled by Buses Bill)
- Responsibility for enabling the widespread adoption of smart ticketing technology
- A role in identifying and implementing measures that improve the overall resilience of the transport system as a means of supporting economic activity

Whilst it may be appropriate for the STB to seek to take on these powers in a phased way – reflecting the reality that it will be a new body corporate – it is important at this stage to set out the scale of ambition for the STB so as to be able to demonstrate how it is required to meet the tests set out in the legislative framework.

### **3. Work Programme for the Autumn**

- 3.1. The second round of engagement is currently planned to take place from mid-August with a series of workshops arranged for the latter part of August/early September.
- 3.2. It will be for individual partners to determine how they engage within their own organisation and, if required/appropriate, with more local stakeholders. The programme team will be able to provide some support to partners in terms of setting out the detail of the proposal where that is helpful.
- 3.3. Throughout the autumn there will be a need for each member of the potential STB to take the proposal through their formal decision making process. In considering a proposal to establish an STB, the DfT and subsequently Parliament, will need to be satisfied that each proposed member has given their consent.
- 3.4. On this timetable the Strategic Alliance would be in a position to submit its proposal by the end of the calendar year.
- 3.5. Once the proposal has been submitted and accepted by the DfT it will be taken through Parliament using the prescribed Statutory Instrument. This is expected to take between 9 and 12 months. At this point in the process DfT would have responsibility for taking the proposal through the Parliamentary steps, with the Strategic Alliance providing support if, and as required.

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