

**West of England Partnership
Joint Scrutiny Committee
30 October 2009**

LOCAL TRANSPORT ACT 2008

Purpose of report

1. To summarise the provisions of the Act and to outline what action can be taken within existing powers and within those included in the new Local Transport Act.
2. To seek the views of the Joint Committee.

Provisions of the Act

3. The Act allows local authorities to review the effectiveness and efficiency of existing governance arrangements in their area and come forward with proposals for improvements or for the establishment of new Integrated Transport Authorities (ITA). Two or more authorities can undertake a review. An ITA must consist of the whole area of two or more authorities.
4. Guidance on Governance Reviews to accompany the Local Transport Act 2008 was published by the Department for Transport (DfT) in December 2009. The Local Transport Act is enabling legislation; the legislation recognises that proposals should be locally driven.

Scope of a Statutory Governance Review

5. Whilst it is up to local authorities to decide how wide a review they wish to carry out, Government Guidance sets out the process for any statutory governance review. The main features of the Guidance are as follows:

5.1 Problem analysis and identification of objectives

- Identify high level vision, objectives and outcomes.
- Establish what the local authorities wish to achieve.
- Examine and ensure links with the wider sub-regional agenda and existing problems, barriers and challenges, eg sustainable development and economic competitiveness.
- Consider the current provision and procurement of transport services; for example, road, rail, ferries, bus, cycling and walking.
- Identify what can be achieved using existing powers for the provision of bus and rail services.
- Ensure the early identification of possible governance options and costings.

5.2 Identification and assessment of options

- How best can the objectives be achieved?
- Consider a range of options in more detail; an ITA is not necessarily the most appropriate option. Options could be grouped into packages.
- Consider best practice from around the country, not just existing ITAs.
- Assess options against existing arrangements - what do we gain over existing powers and governance?

5.3 What powers could be included?

- Consider the appropriateness of a wide range of powers in greater detail.
- What are the advantages and disadvantages of including these powers?
- Which powers best help to deliver the objectives?
- The current and future distribution of powers could form part of a review.

5.4 Area covered

- Consider options, including cross-boundary arrangements with neighbouring authorities.

5.5 Constitution

- How governance proposals are constituted, including voting, non-elected members, transparency and accountability.

5.6 Funding

- Cost of new governance and how will it be funded. The guidance makes it clear that transitional costs should be offset by savings within five financial years.
- Value for money, savings and costs should be considered. The DfT has repeatedly stated there will be no additional funding for new ITAs.
- Make comparisons with the costs of existing ITAs.

5.7 Consultation

- Involve organisations with a direct interest in a review, such as the Regional Development Agency, Network Rail and the Highways Agency.
- “Sounding boards” could be used to assist in securing the views of a wide range of stakeholders.

5.8 Conclusions

- Conclude that either existing arrangements work well and do not require change or changes are needed with recommendations for future structures.

5.9 Timescales and Funding

- The Statutory Guidance suggests a review will take at least two years in order to be comprehensive and allow time for consultation with appropriate and affected organisations.
- The guidance also recommends allowing 12 months after agreement before implementation.
- Any review submitted to the DfT must have been undertaken by two or more authorities.
- The Secretary of State for Transport will review the outcomes of any review and decide whether to make an individual order to establish a new ITA. This decision will have to go through the parliamentary process.

Options for improving delivery of transport investment within existing powers and within the new statutory provisions

6. Options for improving delivery are summarised in:

- Appendix 1 Options within existing powers
- Appendix 2 Options within new statutory provisions

7. Officers are currently examining in more detail how the delivery of transport improvements can be achieved within existing powers, and at different levels of ambition, as a basis for deciding the scope of any review. This work is examining:

- Developing and implementing strategic transport investment priorities
- Exercising more authority and focus in steps to improve bus services
- Securing formally more complementary working with Highways Agency on investment priorities, joint planning and operational matters
- Securing formally greater engagement and influence over the strategic planning of investment and operational standards of Network Rail and rail operators.

Recommendation

That the Joint Scrutiny Committee gives its views at this stage and receives further reports.

James White, Group Leader: Transport Policy, West of England Partnership
Tel: 0117 922 4924; e mail: james.white@westofengland.org

Options Within Existing Legislation

The Department for Transport Guidance on Governance Reviews (December 2008) states that a number of options for improving the joint delivery of services are already available within existing legislation.

1 Contractual Arrangement

This is a contractual agreement between the authorities for the joint delivery of major schemes and maintenance services. An indemnity would be necessary, as the arrangement would rely upon one authority being the accountable body.

2 Multi Area Agreements (MAAs)

New legislation will allow the creation of MAAs with statutory duties. The statutory duties would bind strategic partners to fulfilling their part of what has been agreed in a revised MAA with statutory duties.

3 An arms-length company limited by guarantee or an industrial and provident society.

This is the same as the proposed 'Delivery Vehicle' which Resources Directors are examining.

4 Joint Committee

We have a Joint Transport Committee.

5 Combined Authority

The Local Democracy, Economic Development and Construction Bill, December 2008, allows the creation of Economic Prosperity Boards (EPB) and the merging of an ITA with an EPB, where these have matching boundaries to form a Combined Authority.

The Economic Prosperity Board would be a statutory governance body and could undertake the functions currently exercised in the West of England Voluntary Partnership. The addition of an ITA would give it substantial delivery powers.

Options within new statutory provisions

Local Transport Act 2008:

Potential Integrated Transport Authority (ITA) powers

<i>A. Planning & Implementing Major Transport Schemes</i>
<p>Joint Local Transport Plan Produce a single Local Transport Plan covering the whole of the West of England area. <i>Already undertaken through the Partnership and Joint Committee.</i></p>
<p>Major Scheme Bids Preparation of bids for major transport schemes (> £5m cost), scheme design and delivery. <i>Federated or centralised arrangements would replace the current voluntary Partnership system.</i></p>
<p>Local Highway Authority Powers Bus lanes, bus priorities, traffic calming and management, cycling and walking schemes, maintenance. <i>Currently the individual authorities undertake this.</i></p>
<p>Highway Development Control Assess transport impact of major new developments; advise determination to planning authority and request remedial measures. Note this may be beyond the powers of the Local Transport Act. <i>Currently the individual authorities undertake this.</i></p>
<i>B. Improving Bus Services</i>
<p>Supported Bus Services and Information Tendering for and monitoring of socially necessary bus services not provided by operators on a commercial basis. Marketing and publicity of bus service provision. <i>This is the current arrangement.</i></p>
<p>Bus Quality Partnerships Bus operators agree to enhance services – fares, frequencies, and timings - in return for infrastructure improvements. Partnerships can be voluntary and/or statutory. <i>This development would give partial control, with the risk shared.</i></p>
<p>Bus Quality Contracts Franchising of local bus network, similar to London, with ITA setting and regulating service levels whilst ensuring better integration. <i>This development would provide control but the risk would transfer to the Local Authorities.</i></p>
<p>Concessionary Travel and Integrated Ticketing Diamond travel card (senior citizens and disabled) and other travel concessions. <i>This would integrate the administration and ticketing of current concessionary travel arrangements in the sub-region.</i></p>
<p>Travel Plans <i>This would result in the sub-regional co-ordination of travel plans.</i></p>

<i>C. Strategic Road & Rail Powers</i>
<p>Strategic Highway Powers <i>Transfer of motorways and 'A' roads to the authorities from the Highways Agency e.g. M32, A4 and A46.</i></p>
<p>Rail – Track & Services <i>Transfer of responsibility for:</i></p> <ul style="list-style-type: none"> • <i>Stations and track to the authorities.</i> • <i>Local train services through franchise arrangements.</i> <p><i>The DfT do not envisage the transfer of any Rail powers to ITA's or to local authorities</i></p>
<i>D. General Powers of an Integrated Transport Authority</i>
<p>Power of Direction Power of direction can be given to an ITA to direct the local authorities that they must or must not do certain things on specific roads or classifications of roads. <i>Any use of this power would require the prior agreement of the local authorities concerned.</i></p>
<p>Annual Levy Agreed annual levy on the councils that make up the ITA. There are no precepting powers in the Local Transport Act.</p>