

West of England Partnership
Joint Transport Executive Committee
12 November 2009

Opportunities to Maximise the use of Existing Transport Powers in the West of England (to reflect the Local Transport Act 2008)

Purpose of Report

1. To outline suggestions for how the West of England Partnership authorities can maximise the use of their existing transport powers (to reflect the Local Transport Act 2008) and to seek Members' views.

Background

2. The Joint Transport Executive Committee meeting on 1 October 2009 considered a report on the Local Transport Act 2008 and the opportunities for reviewing transport governance. It was resolved that a report outlining how the West of England authorities can maximise the use of their existing transport powers be presented to the next meeting.

Options

3. Currently the Joint Transport Committee enables a great deal of valuable joint working by the four councils through the West of England Partnership. A well-regarded Joint Local Transport Plan is being delivered successfully and the transport major scheme programme has been radically extended and substantial progress made in developing and delivering individual schemes.
4. In its work to improve the effectiveness of transport systems in the sub-region the Joint Committee continues to seek improvements in:
 - The frequency, reliability and quality of bus services and reduced fares.
 - More complementary working with the Highways Agency in planning for growth, securing investment and operating and improving the network effectively
 - Influencing investment by Network Rail to improve local and strategic connections and by Rail Operators to improve the frequency, reliability and quality of train services.
5. A range of possible options for maximising the use of existing transport powers of the West of England in these areas is set out below. None of these require a formal governance review or the creation of a new body.

Increasing the frequency, reliability and quality of bus services and reducing fares

6. Under the 2000 and 2008 Local Transport Acts bus services can be improved through agreements between the local authorities and bus operators. Options available are:

- Voluntary Partnership Agreements. These allow local authorities and bus operators to make progress in delivering better quality and more stable services without the need for a statutory scheme. They can cover frequency of services, levels of fare increases, vehicle standards and investment in infrastructure. The Local Transport Act 2008 now strengthens opportunities for service and fare co-ordination between bus operators, which may have previously breached competition legislation.
- Quality Partnership Schemes. These provide a much stronger and binding framework for local bus operation. They can cover minimum frequencies, timings, vehicle standards, investment in infrastructure, service performance and maximum fares. They allow local authorities to phase in improvements over a period of time.
- Quality Contract Schemes. These would, for example, enable the franchising of a network of services similar to how bus services are run in London. A Quality Contract would allow an authority to specify and regulate bus networks – the frequency of buses, routes and fares. This could be for a town or a whole sub-region. Bus companies would be invited to bid to operate the specified network under a franchise arrangement. There are indications that Quality Contract Schemes may be revised by any new national administration.

7. For the West of England action could be taken to:

7.1 Co-ordinate the progression of a Quality Partnership Scheme with operators on the operation of each of the ten Greater Bristol Bus Network corridors as proposed by the joint major scheme bid submitted to the Department for Transport;

7.2 Identify other priority bus services for Quality Partnership Schemes and seek negotiations with bus operators on a phased programme to secure and safeguard agreed frequencies, reliability and quality, and a maximum fare structure on these routes. Among other things the negotiations could include:

- Improved joint promotion of bus use
- Joint investment in integrated ticketing
- More effective traffic management schemes
- Examination of current and future capital investment plans
- Joint review of better performing, lower cost bus services elsewhere
- Impact on the use of existing public subsidies for bus routes
- Engaging the views of the public, major employers and voluntary and community sector organisations
- A variety of internal measures by the operators to improve service quality
- Public monitoring of target improvements
- Improved arrangements for reviewing and resolving future changes in provision to reflect service use.

8. The Greater Bristol Bus Network (GBBN) Programme Board is progressing a framework for a Quality Partnership Scheme for the GBBN corridors. Work is underway to develop a scheme document for the first corridor to be launched in the network, the A367 corridor between Midsomer Norton and Bath, for consultation with operators. This envisages quality standards that can include maximum fares

and appropriate bus frequencies, as well as vehicle standards and highway infrastructure. This approach is intended to form a basis for Quality Partnership Schemes for the other GBBN corridors in the network, and potentially for other services.

9. The options set out at paragraphs 7 and 8 propose maximising the use of existing powers through a Quality Partnership Scheme. The Joint Transport Executive Committee will need to consider whether its ambition for improved bus services can be met by this framework, or whether the use of stronger powers is more appropriate.
10. In reaching their views Members will wish to consider:
 - The continuing and repeated public representations regarding the perceived quality and value for money of bus services.
 - The need to offer quality alternatives to car use if congestion, access and air quality are to be improved.
 - The need to be prepared to sustain any programme of operator consultation if it is to be effective and to agree how the priorities and capacity of the existing staff resources are to be reviewed and/or increased to undertake any new work required.

Complementary working with the Highways Agency

11. The Memorandum of Understanding (MoU) with the Highways Agency, agreed as part of the West of England Multi-Area Agreement (MAA), presents the opportunity for a phased delivery programme to improve joint working on strategic planning, investment and operations. The objectives set out in the Memorandum are:
 - The Highways Agency (HA) will be a key stakeholder in the production of Joint Local Transport Plan 3 (JLTP3) and will provide input, expertise and feedback as appropriate and reciprocally the West of England Partnership (WEP) will be a key stakeholder in HA's strategic plans.
 - A programme and phasing of HA and WEP schemes for 2011 – 2016 is to be agreed for inclusion in the Delivery Plan of JLTP3 and a joint work stream is to be established to facilitate this.
 - HA and WEP will collaborate to develop key milestones towards the Delivering a Sustainable Transport System (DaSTS) goal to support national economic competitiveness and growth by delivering reliable and efficient transport networks, including Strategic National Corridors 6 London to the South West and South Wales and 7 Exeter/Bristol to the Midlands.
 - HA to provide full and timely and comprehensive engagement on the management of the strategic road network including its forward programme.
 - The WEP to provide full and timely and comprehensive engagement on the management of the local transport network, including its Regional Funding Allocation 2 programme of transport major schemes.
 - The WEP to provide information on planned future sub-regional housing and economic growth and other planned investment and priorities.
 - A working protocol is to be agreed for processing significant planning applications which deliver economic growth and journey time reliability .

- HA and WEP will have due regard to each others networks in making plans for and implementing traffic management measures on their networks. Arrangements will be established to ensure the overall effective operation of the total integrated network.
 - Quarterly officer meetings between HA and WEP will be established and HA will provides updates for and attend meetings of the Joint Transport Executive Committee on a twice yearly basis.
 - MoU partners will identify a senior contact officer with lead responsibility for the MoU.
 - Information requests between MoU partners will be dealt with within 14 working days. Requests are to be as specific as possible.
 - Where appropriate data collection is to be co-ordinated between MoU partners to maximise the use of data and enable cost sharing.
 - A joint framework on communications will be established in order to promote levels of engagement and partnership working between WEP and HA.
12. A focused and phased delivery programme with clear accountabilities, timescales and/or additional officer capacity will be essential to delivering these objectives. Again it will be essential to sustain the negotiations if the challenge of delivering better outcomes is to be met effectively.

More say with the Rail industry

13. The core objectives of the proposed Memorandum of Understanding with the rail industry (Network Rail and First Great Western) are as follows:
- Network Rail, First Great Western and WEP collaborate to develop key milestones to achieve the DaSTS goal to support national economic competitiveness and growth by delivering reliable and efficient transport networks, including Strategic National Corridors 6. London to the South West and South Wales and 7. Bristol to the Midlands.
 - Network Rail and First Great Western are key stakeholders in the production of the JLTP and provide input, expertise and feedback as required.
 - A programme and phasing of Network Rail, First Great Western and WEP schemes for 2011 – 2016 is agreed for inclusion in the Delivery Plan of JLTP3.
 - First Great Western provides full and timely and comprehensive consultation on timetable changes.
 - First Great Western provides early engagement on planned changes to the provision of rolling stock on West of England services.
 - First Great Western informs the West of England Partnership of proposed changes to station management and publicity.
 - Network Rail provide full and timely consultation on investment and planning decisions including the Great Western Mainline Business Plan, Network Rail Discretionary Fund and other smaller schemes.
 - Network Rail and First Great Western engage earlier with WEP in planning for and provide advance notice on engineering works and replacement services.
 - Network Rail and First Great Western officers provide updates for and attend meetings of the Joint Transport Executive Committee on a twice yearly basis.

- Network Rail and First Great Western to attend and provide technical support and advice for the West of England Rail Project Group.
- WEP provides evidence on future sub-regional housing and economic growth and other planned investment and priorities.
- All MoU partners will identify a senior contact officer with lead responsibility for the MoU.
- Information requests between MoU partners will be managed as quickly as is reasonable depending on the complexity of the request and information available. Requests are to be as specific as possible.
- Where appropriate data collection is co-ordinated between the MoU partners to maximise the use of data and enable cost sharing. Any costs will be mutually agreed by partners as per the appropriate contractual arrangement.

14. As part of the West of England MAA members and officers should draw on the support of the Department for Transport where this will add weight to the process of negotiations. Ultimately progress is key to the future Greater Bristol Metro. A phased delivery plan leading to firm undertakings which support radically improved working relationships will need to be prioritised and resourced.

The authorities will also continue to develop relationships with the other train operators in the sub-region.

Reviewing the resourcing and effectiveness of:

- **Major Transport Schemes**
- **Procurement as Highways Authorities**

15. There is scope to reduce costs and increase flexibility by lessening the current dependence on external consultants for the development of major schemes. A blend of in-house technical expertise (e.g. modelling, appraisal and design) which is called upon regularly, and external support for more specific requirements, could be considered. Care would need to be taken to plan and profile future work volumes in deciding on the blend of skills to be recruited and the terms of their employment. This would complement the MAA national pilot with the Department for Transport (as part of the development of the North Fringe to Hengrove Package) which is designed to reduce scheme development costs and quicken the pace of delivery.
16. There are also savings to be achieved through the joint procurement by the four councils as Highways Authorities. Economies of scale could for example be delivered by the joint procurement of highway maintenance materials.
17. The authorities are continuing to examine the establishment of a delivery vehicle to commission and oversee the delivery of major infrastructure projects for transport, housing and employment through an arm's length local authority company. This proposal seeks to ensure top quality commissioning and delivery, which reduces risk and increases value for money.

Single programme

18. Under current arrangements each council receives its own funding allocation for the Integrated Transport and Maintenance Blocks and draws up its own programme of schemes. The JLTP includes a greater level of co-ordination in scheme evaluation to direct funding at projects, which better meet the JLTP objectives.

19. These funding allocations could be pooled into a single programme and targeted at key areas. This would allow the greater concentration of resources and help deliver against targets and goals in the JLTP. Any such mechanism would require safeguards that over the life of the JLTP some areas do not lose out on funding. To run a single programme would require a dedicated team of project managers and finance officers.

Strengthening the sub-region's knowledge and influence

20. The Passenger Transport Executive Group (PTEG) represents transport authorities in the largest urban areas in England. PTEG promotes the exchange of knowledge and good practice and raises awareness nationally about the key transport challenges which face the city regions, and the public transport solutions authorities are implementing. Nottingham City Council has recently become associate members of PTEG. There is the opportunity for the West of England to do likewise thereby raising the sub-region's profile and representation.

Recommendation

Member's views are sought on these options.

Appendices

- Appendix One: Options within existing legislation
Appendix Two: Options within new statutory provisions

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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 Integrated Transport Authority 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>

C. Strategic Road & Rail Powers

Strategic Highway Powers

Transfer of motorways and 'A' roads to the authorities from the Highways Agency e.g. M32, A4 and A46.

Rail – Track & Services

Transfer of responsibility for:

- *Stations and track to the authorities.*
- *Local train services through franchise arrangements.*

The DfT do not envisage the transfer of any Rail powers to ITA's or to local authorities

D. General Powers of an Integrated Transport Authority

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. *Any use of this power would require the prior agreement of the local authorities concerned.*

Annual Levy

Agreed annual levy on the councils that make up the ITA. There are no precepting powers in the Local Transport Act.