

WEST YORKSHIRE INTEGRATED TRANSPORT AUTHORITY

DATE: 20 NOVEMBER 2009

AGENDA ITEM NO: **17**

SUBJECT: INTERIM GOVERNANCE PROPOSALS

Report of the Clerk to the Authority and Director General

1. MATTER FOR CONSIDERATION

- 1.1. This paper seeks the approval for new interim arrangements to improve governance within West Yorkshire Integrated Transport Authority.

2. INFORMATION

Transport Governance Review

- 2.1. Members will be aware that the Local Transport Act 2008 urges Metropolitan District Councils and their Integrated Transport Authorities (ITAs) to take advantage of the provisions within the Act to strengthen governance arrangements. The purpose is to introduce more strategic and efficient management of transport across the Metropolitan area and potentially a wider city region area. The objective is to avoid the fragmentation, identified in the Act as a major problem, which occurs because district councils have responsibilities for highways functions and the ITA has responsibility for the public transport function. The Transport Act provides the opportunity for an Integrated Transport Authority with broader powers and the skills necessary to overcome this fragmentation, taking a more strategic approach but with one voice for transport and an emphasis on delivery.
- 2.2. Members will be aware that Atkins Consultants undertook a transport governance review on behalf of Leeds City Region partners. There was strong support amongst partners for a wider city region Integrated Transport Authority but this option required the agreement of North Yorkshire County Council and the City of York to progress. Instead therefore a more incremental set of reforms has been agreed by the City Region Leaders Board as a first stage:
 - A stronger West Yorkshire ITA and;
 - A strengthened partnership arrangement for the city region.
- 2.3. For **West Yorkshire**, Atkins proposed that the new, more focussed ITA will develop, coordinate, and allocate funding for, the implementation of the LTP3 providing a single voice for transport. Schemes will be implemented through the existing district delivery arrangements with all

traffic, highway and street powers remaining with the districts. A Power of Direction will be available to the ITA to ensure agreed LTP priorities are delivered effectively.

- 2.4. For the wider **City Region partnership**, Atkins proposed that the reforms include a strengthened Transport Panel with some decision making powers devolved to it from the Leaders' Board. The Transport Panel will be responsible for delivering the City Region Transport Strategy, Multi Area Agreement and Forerunner Proposition.
- 2.5. Due to the nature and complexity of the statutory and Parliamentary processes involved it is expected that the very earliest any reforms could be implemented on a formal basis is 2011. The City Region Chief Executive's Group have identified a project director to progress the significant work streams required to submit a governance scheme to the Secretary of State. These work streams involve identifying the most appropriate powers to be placed with the ITA and the skill sets necessary to deliver them. A key objective of the group is to identify the processes and scheme of governance most appropriate to submit to the Secretary of State. The project director will report to a city region chief executive project board the membership including representation from city region authorities, including Metro.

The need for action

- 2.6. Whilst progress to date has been solid it is evident that the work being undertaken and the estimated timescales will not deliver soon enough the strategic and efficient decision making the ITA is seeking.
- 2.7. The Atkins review found "a large proportion of partners and stakeholders feel that Metro is delivering reasonably well at present. Metro is seen as proactive by the West Yorkshire Authorities and stakeholders in pursuing its public transport agenda and generally doing a good job on this core role with the tools and powers available to it. The Metro brand is a strong one which is widely recognised by travellers across the conurbation". The interim arrangements proposed in the paper need to build on these positives.
- 2.8. Whilst the ITA support the objectives behind the Atkins findings and the City Region Leaders' endorsement of them, the ITA were not in agreement with the Atkins proposals in relation to the structure of the proposed West Yorkshire ITA.
- 2.9. Members will recall that Atkins' proposals suggested that an ITA of 10 members would be appropriate. Atkins also commented on how the population of districts could be reflected through some weighted voting mechanism. It was also suggested that it may be appropriate to second non voting attendees from the world of business or academia for example. The ITA wholeheartedly supported an alternative proposal that was presented to City Region Leaders which maintained a larger West Yorkshire ITA membership but with an Executive formed

from within that membership to enable strategic and efficient decision making in line with the principles of an Executive Board. The ITA argument was that this combination of approaches facilitated in the wider ITA, appropriate representation of both population and political mix, whilst an Executive Board of say eight in number could deliver efficient decision making and achieve political balance. Members will recall the ITA proposal suggested that the appropriate role for the full ITA would be in relation to scrutiny and audit and governance.

Proposed Interim Arrangements

- 2.10. Interim enhancement to governance arrangements, in line with the objectives of the Transport Act 2008 would facilitate the delivery of the City Region Transport Strategy and the West Yorkshire Local Transport Plan. It is clear from discussions with the Department for Transport, as part of the pilot forerunner status engagement, that the Department are keen for a stronger set of governance arrangements in West Yorkshire. It is also clear that the stronger the governance arrangements, the more successful the ITA can seek to be in terms of innovative approaches to funding and strategic delivery.
- 2.11. It is proposed therefore that the Authority take an important step forward in moving towards stronger governance arrangements which will not in any way prohibit a future submission of a formal governance scheme.
- 2.12. The most appropriate interim arrangement would follow the ITA's submission to City Region Leaders with the establishment of an eight member ITA Executive Board. It is proposed that this take place with effect from 1 January 2010.
- 2.13. The ITA (unlike Metropolitan District Councils which are governed by the Local Government Act 2000 and have the ability to establish Executive Boards that are not politically balanced) has, when establishing any committee, to have regard to the appropriate Local Government Acts which require political balance. An ITA Executive Board of eight, in accordance with the current political makeup of the West Yorkshire ITA would require three Conservative members, three Labour members and two Liberal Democrats (see Appendix A). It is proposed that the ITA Executive Board include the ITA Chair, Deputy Chair and Shadow Chair. The remaining 5 places must be allocated in a way which ensures political balance.
- 2.14. It is further proposed that the ITA Executive Board will meet at least once per month. Meetings will be open to the public and agendas and minutes will be published on the Authority's website. The terms of reference for the Executive Board are set out in detail at Appendix B.
- 2.15. It should be noted that the full ITA will be required to meet at least twice per year with a budget setting meeting in February and an Annual General Meeting in June with additional meetings when required.

- 2.16. This interim arrangement requires further development. In order to behave strategically and efficiently an ITA Executive Board has much to offer but its decisions should be subject to full scrutiny. It is therefore proposed that work be undertaken between now and the next AGM to identify the new fuller interim arrangements for West Yorkshire ITA. It is likely that the current working group arrangements will be subject to substantial change and be replaced with a scrutiny function together with appropriate West Yorkshire wide liaison arrangements and an audit and governance function.
- 2.17. It is proposed therefore that between now and the next AGM all existing arrangements continue with the addition of the ITA Executive Board meeting on a monthly basis. One of the first key tasks of the Executive will be to consider in detail the most appropriate framework for delivering WYITA functions including the 'make-up' of the ITA Executive Board. Proposed arrangements will be discussed by appropriate working groups of the Authority and finalised at the next AGM in June 2010.

3. FINANCIAL AND LEGAL IMPLICATIONS

- 3.1. None arising directly from this report.

4. STAFFING IMPLICATIONS

- 4.1. None arising directly from this report.

5. EQUAL OPPORTUNITY IMPLICATIONS

- 5.1. None arising directly from this report.

6. RECOMMENDATIONS

- 6.1. That the Authority approves the establishment of an ITA Executive Board in accordance with the proposals set out above.
- 6.2. That subject to approval in 6.1 the Authority nominates 8 members to sit on the ITA Executive Board in accordance with the requirements for political balance set out in Appendix A to this report.
- 6.3. That a further report setting out the variations and additions required to the Standing Orders of the Authority in order to constitute the ITA Executive Board and set out its Terms of Reference be brought before the Audit and Governance Committee for their consideration and recommendation to the Board for approval at a subsequent meeting, under Standing Order 23.