

WEST YORKSHIRE PASSENGER TRANSPORT AUTHORITY

AUDIT AND GOVERNANCE COMMITTEE

DATE: 16 DECEMBER 2008

AGENDA ITEM NO: 11

SUBJECT: POLICY UPDATE

Report of the Passenger Transport Executive

1. MATTERS FOR CONSIDERATION

- 1.1 This report provides information on the Local Transport Act, the Transport Governance Review, the Sub-National Review and the Department for Transport's national policy document, 'Delivering a Sustainable Transport System'.

2. INFORMATION

Local Transport Act 2008

- 2.1 The Authority has previously received reports on the Local Transport Bill which includes reforms in relation to bus services and the provision for transport governance reviews. The Bill has now received Royal Assent and has therefore become an Act.
- 2.2 As reported to the last meeting of the Authority the PTA Special Interest Group and Passenger Transport Executive Group (pteg) have achieved some important amendments to the Bill in its latter stages as a result of successful lobbying.
- 2.3 The key amendment is that the proposed Quality Contracts Board (chaired by the Traffic Commissioner) cannot now veto decisions made by the democratically accountable authority in relation to the introduction of Quality Contracts. The Board will now provide an opinion as to whether they think the proposal meets the public interest criteria set out in the Act and whether the Authority has consulted the relevant parties. They can also recommend modifications if they feel any of the tests have not been met. This change represents a major success in making the introduction of Quality Contracts a more realistic option.
- 2.4 Amendments have been made to the TUPE protection for employees in a Quality Contract situation. Where Quality Contracts are in operation, the authority now also will have powers of last resort to operate services for a maximum of nine months (with the potential for the Traffic Commissioner to approve a further three months) in the event of an operator default.

- 2.5 In terms of governance arrangements for the ITA, the Act now states that non-elected members would be automatically deemed to be non-voting unless elected members explicitly resolved to give them voting rights.
- 2.6 The provisions of the Act will come into effect through various orders on appointed days. The name change to Integrated Transport Authorities is expected to come into effect within the first two months of 2009. The immediate implication for the Authority is that it will become 'West Yorkshire Integrated Transport Authority' (simply replacing the word 'passenger' with 'integrated'). As the name 'Metro' is currently used by both the PTA and PTE this will remain unchanged, the implications are relatively minor. The PTE will not change its name as a result of the Act, this is something that would be addressed as part of the review of governance.
- 2.7 The ITA will gain 'well-being' powers in line with district councils, and duties to have regard to the needs of disabled persons and the government's climate change policies.
- 2.8 In addition to the Quality Contract provisions of the Act, the provision for Statutory Quality Partnerships is also strengthened (including the ability to set minimum frequencies, maximum fares and improved standards as part of the partnership agreement). The Act also establishes a national bus and rail passenger champion by extending the remit of the current rail body, Passenger Focus.

Review of Transport Governance

- 2.9 The Authority has received progress reports, presentations and held workshops with Atkins Consultants in the ongoing review of transport governance.
- 2.10 The Atkins Stage III Final Report Recommendations has been distributed to all partners and stakeholders. It was considered at the last meeting of the Passenger Transport Authority on 21 November 2008, and is available from the PTA office or at www.leeds.gov.uk/leedscityregion/docs/lcrtg3.pdf
- 2.11 Atkins has reported that the majority of city region partners support the creation of an Integrated Transport Authority (ITA) for the Leeds City Region. Such a body is seen as having a combination of powers, political leadership, capacity, boundaries and funding to plan and deliver integrated transport in support of economic, social and environmental goals across the whole of the area. However, further detailed assessment and the agreement of North Yorkshire County Council and City of York is required if it is to be taken forward.
- 2.12 Atkins report that there is agreement on progressing a more incremental set of reforms as a first stage with the development of a city region ITA to be determined at a later stage.

2.13 Based on a review of desktop evidence, partner and stakeholder engagement, comparative experience elsewhere, and their own professional judgement, Atkins have proposed a governance model, as a first stage of reform, that comprises of two elements;

- Strengthened partnership and collaborative working arrangements between city region partners at a city region level;
- West Yorkshire Integrated Transport Authority (WYITA) comprising of 10 elected Members

Atkins has also set down an alternative option suggested by the West Yorkshire PTA for a WYITA comprising of 22 elected Members.

2.14 At their meeting on 28 November 2008, the Association of West Yorkshire Authorities (AWYA) Leaders received a presentation from the Chair and Deputy Chair of the PTA highlighting the democratic deficit associated with the 10 Member WYITA proposed by Atkins.

2.15 At their meeting on 1 December 2008, the Leeds City Region Leaders Board considered the Atkins Final Report.

2.16 Leaders agreed that a Leeds City Region Integrated Transport Authority would be the best strategic transportation body to deliver the Leaders Board's ambitions, and asked Chief Executives to provide options to resolve the significant issues which concern North Yorkshire and York. Chief Executives anticipate reporting back to the Leaders Board at their next meeting in February 2009.

2.17 Leaders recognise that a City Region ITA may not be immediately deliverable, but agreed to commission work to progress both options:

- Leeds City Region ITA;
- West Yorkshire ITA with stronger city region partnership links.

2.18 The work will be led by the Chief Executives supported by a sub-group of the City Region Connectivity Partnership. A further workstream is the development of interim arrangements, particularly focused on the Local Transport Plan and this work will be led by Metro in conjunction with the Chief Highways Officers from the districts with appropriate input from the City Region sub group.

Sub National Review (SNR)

2.19 On 16 July 2007 the Government announced the initial outcomes from the Sub-National Review of Economic Development and Regeneration. The SNR has a number of implications for the way in which organisations work together at a regional and a sub-regional level. This was followed, in March 2008, by the publication 'Prosperous Places', Government's proposals for taking forward the Sub-National Review.

- 2.20 At the September meeting of the Authority, the government's proposals for taking forward the Sub-National Review of Economic Development and Regeneration (SNR) through the publication 'Prosperous Places' was reported. The content of a joint response from Local Government Yorkshire and the Humber and Yorkshire Forward was reported which set out how these organisations proposed to reflect the review in this region.
- 2.21 Whilst the Authority supported the general principles of the proposals, they were concerned that the Chair of the Transport Board would be nominated by the unelected Yorkshire Forward Board. The Authority sent a letter to both Local Government Yorkshire and the Humber and Yorkshire Forward expressing the view that the Transport Board should be chaired by an accountable elected representative.
- 2.22 Responses have been received from both organisations (these are attached as Appendix A for information). Local Government Yorkshire and the Humber have passed on the concerns to the Leader and Chief Executive charged with establishing the Transport Board and Yorkshire Forward has offered a meeting with their representatives leading on this area of work.
- 2.23 It is proposed to pursue the issue with the contacts suggested.

Delivering a Sustainable Transport System

- 2.24 The Department for Transport (DfT)'s policy document 'Towards a Sustainable Transport System' was published last year and a series of regional consultations have taken place over the course of the year.
- 2.25 The DfT has now published their latest strategic thinking in 'Delivering a Sustainable Transport System' together with a consultation on planning for the period from 2014 to 2019 and beyond. An Executive Summary is attached as Appendix B and the documents are available online at: <http://www.dft.gov.uk/press/speechesstatements/statements/dasts>
- 2.26 The consultation runs until 27 February 2009. It is proposed that a response is developed through the Authority's Local Transport Plan Steering Group.

3. FINANCIAL AND EC PROCUREMENT IMPLICATIONS

- 3.1 There may be some minor financial costs as a result of the change of the name of the Authority to the West Yorkshire Integrated Transport Authority, but these can be accommodated within existing budgets.

4. STAFFING IMPLICATIONS

- 4.1 None as a result of this report.

5. EQUAL OPPORTUNITY IMPLICATIONS

5.1 None as a direct result of this report.

6. RECOMMENDATIONS

6.1 That the report is noted.

Director General
West Yorkshire Passenger Transport Executive

DELIVERING A SUSTAINABLE TRANSPORT SYSTEM – EXECUTIVE SUMMARY

Transport plays a key role in all our lives. It has transformed our outlook and has had a massive impact on our quality of life: from the first voyages in the 16th century of sailors circumnavigating the globe; to railway lines spanning the great continents of Europe, America and India in the nineteenth century; to the huge expansion of personal mobility and freight travel in the last century. In our own country, it enables 24 million commuters to get to work and delivers five million tonnes of freight every day. It can also affect people's lives in other ways such as noise, accidents and, increasingly, through emissions of greenhouse gases. Enabling transport to deliver the most benefit to our lives, and to those of future generations, requires careful planning, based on a clear analysis of customer need. Our response needs to be cross-modal, and involve not only infrastructure improvements but also innovation and behavioural change.

We outlined our proposed approach to long-term transport planning in our publication **Towards a Sustainable Transport System**, which we published in 2007, in response to the Eddington Study and the Stern Review. This document explains how we are putting this into action in a way that both tackles our immediate problems and also shapes our transport system to meet the longer term challenges that are critical for our prosperity and way of life.

The document outlines our five goals for transport, focusing on the challenge of delivering strong economic growth while at the same time reducing greenhouse gas emissions. It outlines the key components of our national infrastructure. It discusses the difficulties of planning over the long term in the context of uncertain future demand and describes the substantial investments we are making to tackle congestion and crowding on our transport networks. It sets out how we are approaching this through the new National Networks Strategy Group, which we illustrate with the conclusions from our analysis of the London-Manchester transport corridor and container freight. It covers our approach domestically and internationally to tackling greenhouse gas emissions from transport. Finally, it sets out the first steps of our future plans for investment to 2014 and beyond.

OUR GOALS

We have already set clear goals which, as Eddington emphasised, take full account of transport's wider impact on climate change, health, quality of life and the natural environment. We want our transport system:

To **support** national **economic** competitiveness and **growth**, by delivering reliable and efficient transport networks

To reduce transport's emissions of carbon dioxide and other greenhouse gases, with the desired outcome of **tackling climate change**

To **contribute to better safety security and health** and longer life-expectancy by reducing the risk of death, injury or illness arising from transport and by promoting travel modes that are beneficial to health

To **promote** greater **equality of opportunity** for all citizens, with the desired outcome of achieving a fairer society;

To **improve quality of life** for transport users and non-transport users, and to promote a **healthy natural environment**

These are enduring goals. All are important for building the sort of society we want to live in. We expect to be able to make progress against all five, but are well aware that there can sometimes be tension between the different goals when considering decisions about future investment. In particular, supporting economic growth while reducing greenhouse gas emissions are likely to be the most challenging to deliver in parallel, at least in the short term.

That said, we expect there to be a strong synergy between different goals. For example, measures that improve the links between cities will also benefit the economies of the surrounding regions and help to reduce regional economic imbalance. Measures that encourage modal shift to public transport, cycling and walking are likely to make a positive contribution to economic growth (by tackling congestion), reducing greenhouse gas emissions and enhancing the local environment, as well as improving public and personal health. With proper planning there is no reason why a package that includes new infrastructure need have an adverse impact on climate change, quality of life or the natural environment.

THE BIGGEST CHALLENGE: TACKLING CLIMATE CHANGE AND GROWTH TOGETHER

The Government has committed to a reduction of at least 80 per cent in greenhouse gas emissions by 2050 compared to 1990 levels and is also committed to demanding overall targets for 2020. In this context, the pressing need to reduce transport's greenhouse gas emissions (primarily CO₂) is clear. We are developing a specific strategy for transport to address this goal whilst also supporting economic growth. We will work closely with other Government Departments to identify and exploit synergies, for example with measures to promote low carbon business opportunities.

For domestic transport, we shall be looking to maximise the contribution from improving the carbon efficiency of all modes of transport, encouraging behavioural change, and supporting the provision of lower emission transport. This will support freedom of choice about when and how to travel. Moreover, we can expect further progress towards our 2050 destination from road and rail electrification and the decarbonisation of electricity generation. In this timescale, non-transport factors – particularly land use planning - can also have a significant impact on the “what, where and how” of transport demand.

There is no reason why we cannot tackle emissions and achieve continued economic growth. The basic connectivity of the UK transport network is good but there are acute congestion and crowding problems in key urban areas, on inter-urban corridors and at international gateways, for which we pay an economic price.

Improving reliability and reducing congestion will be a priority. The worst option of all – stop-start traffic and gridlock on our roads – is bad for the economy, climate change and our quality of life. We will also want to consider improvements which enable people and freight to shift to lower carbon modes of transport such as the electrified railway. The need to increase capacity in some areas will require us to consider a range of solutions, for example whether any new rail lines, including high speed rail, or improved road capacity, may be needed along certain strategic transport corridors.

PLANNING FOR UNCERTAINTY

Transport planning can be a very long term business, and we need to balance the need to provide a stable climate for investment with the need to cater for demand uncertainty. Over the short to medium term, we can be more certain about the nature and scale of movements of goods and people on our transport networks. However, over the long term we can expect big changes which will affect how we live and work, and how we use transport. For example, the decision about where new housing is created has clear implications for the transport infrastructure required to support housing. It is particularly difficult for planners to predict the scale and pattern of demand for transport. We cannot simply extrapolate current trends, as the reversal in the long term decline in rail demand over the last ten years shows. Rather, we must understand the drivers of demand and how they are expected to evolve. For example, over the longer term, trend rates for different modes of transport may be heavily influenced by external factors such as technological change, oil prices and our transport and land use policies. Equally, this potential for radical change also means that we have the opportunity to develop new solutions for some of our longer term problems. This means that we need to plan for a range of scenarios, as we have done in both the Air Transport and Rail White Papers.

Despite this uncertainty about aspects of what the future may be, we have a pragmatic strategy for moving forward. We will tackle immediate priorities in ways that, as far as possible, also move towards our five underlying goals. Where we have identified a clear requirement, we will continue to tackle longer term issues as well, while seeking to build in flexibility to adapt to changing circumstances and exploit opportunities, for example from new technology.

THE NATIONAL FRAMEWORK

Our future transport system is not just a matter for government. Although we have responsibility for many crucial policy and investment decisions, most delivery will be through local and regional authorities and the private sector. Government's central responsibility is to ensure that there is a clear strategic framework which reflects our national goals, within which our delivery partners and businesses have the confidence and certainty to develop their own investment plans. A framework of this sort also allows local government, the transport industry, the wider business sector and not least the individual citizen to plan their lives and work.

We are developing a number of overarching policies – for example on safety and emissions reductions – that advance our goals whatever the precise shape of the future transport system. So far as infrastructure is concerned, our focus is on maintaining and improving the connectivity of a national strategic infrastructure that

is critical for the functioning of our transport system as a whole. This strategic infrastructure is made up of a network of 14 national transport corridors connecting our 10 largest conurbations and 17 international gateways and is critical for economic success.

PUTTING STRATEGY INTO ACTION

We have a clear set of priorities until 2014. There is a significant programme of investment underway to tackle issues such as congestion and climate change and to provide the infrastructure needed to support future prosperity. In the longer term, wherever we can be clear about future requirements we will press ahead with decisions to address policy and infrastructure needs. Despite the current economic climate, we are planning today so that our transport infrastructure supports economic growth and for more ambitious emissions reductions, while at the same time looking for ways in which transport can contribute towards improved health, greater equality of opportunity and better quality of life and enhancement of the natural environment.

Our priority to 2014 is making better use of the existing network, combined with a targeted programme of improvements to improve capacity, reliability and safety in the most congested areas. Next year we will start the generation of options for investment for the period 2014-19 and beyond and we are publishing today a consultation document on aspects of the process for generating options in the future. This seeks views on our definition of the challenges, and on the extent of the transport networks that our strategy will cover.

We are confident that the strategy, plans and decisions set out in this document will enable us to achieve our fundamental purpose of transport that works for everyone by delivering our five transport goals. In particular, it will enable us to meet the twin challenge of sustaining a prosperous and growing economy and achieving our challenging emissions reductions.