

WEST YORKSHIRE PASSENGER TRANSPORT AUTHORITY

DATE: 21 NOVEMBER 2008

AGENDA ITEM NO: **17.**

SUBJECT: STRATEGY UPDATE

Report of the Passenger Transport Executive

1. MATTER FOR CONSIDERATION

1.1. An update on strategic transport issues.

2. INFORMATION

The Local Transport Bill

2.1. The Local Transport Bill completed its passage through the House of Commons with its third reading on the 27 October. It has now returned to the House of Lords and is expected to receive royal assent around the turn of the year. The Amendments are summarised below:

- Local bus services - the establishment of Quality Contract Scheme Boards to provide an opinion to the Authority promoting the Scheme; operator of last resort powers but only in very specific circumstances; tram passenger services to be added to the new functions of the Rail Passengers' Council (Passenger Focus) in addition to bus/coach services already included in the Bill; enable Traffic Commissioners to order a bus operator that is failing to operate services properly to invest in services and facilities;
- Integrated Transport Authorities - road charging functions to be delegated from Local Authorities to ITAs only by majority consent of the promoting authorities; membership of the ITA must include at least one elected Member from each representative authority and the political balance rules in the Local Government and Housing Act 1989 cannot be disapplied; voting rights for non elected ITA members to be determined by the ITA itself;
- Local Road Charging Schemes - a requirement to consult before implementing a scheme;
- Traffic Commissioners - a requirement for the senior traffic commissioner to consult users and providers of public transport before issuing guidance to other traffic commissioners;
- LTPs - a requirement on transport authorities to consult with users and providers of public transport on LTPs.

- 2.2. The establishment of Quality Contract Scheme Boards replaces the previous proposal for unelected bodies to have the final say on the implementation of Quality Contracts. The new Boards are advisory and are as a result of the successful lobbying by the PTA Special Interest Group and pteg.

Climate Change Bill

- 2.3. The Climate Change Bill proposes a long term legally binding framework to tackle climate change. The Bill was introduced into Parliament on 14 November 2007 and completed its passage through the House of Lords on 31 March 2008. It is now in the House of Commons for consideration and is expected to receive royal assent shortly. The Bill will create a new approach to managing and responding to climate change in the UK through: setting ambitious targets, taking powers to help achieve them, strengthening the institutional framework, enhancing the UK's ability to adapt to the impact of climate change and establishing clear and regular accountability to parliament.
- 2.4. The Local Transport Bill places a duty on Integrated Transport Authorities, when developing their policies and carrying out their functions, to take into account central government policies and guidance with respect to the protection or improvement of the environment.

Towards a Sustainable Transport System (TaSTS)

- 2.5. TaSTS sets out the Department for Transport's investment and policy plans to 2014. It also sets out proposals for a new approach to strategic transport planning for the period beyond 2014 that would implement the recommendations of the Eddington transport study and reflect the Stern Review of the economics of climate change. A formal consultation on the goals and challenges is expected following completion of the Climate Change Bill process.

DfT Review of Concessionary Fares

- 2.6. The Department for Transport has advised that they will be undertaking a review of the administration and re-imburement arrangements for concessionary travel by seniors and disabled persons. This review will include consideration of the administration arrangements as well as updating evidence relating to take-up, trip rates and elasticities. The review will inform arrangements after 2010/11.
- 2.7. The Ministry of Defence have published a "Nation's Commitment: Cross Government Support to our Armed Forces, their Families and Veterans" document. This cross-Government Command Paper recognises the unique contribution that Service Personnel make to this country. It aims to better support and recognise those who have been wounded in the service of their country and includes the following paragraph on concessionary travel:

"By 1 April 2011, the statutory bus concession in England will be extended to include Service personnel and veterans under the age of 60, who were seriously injured in service and who are resident in England.

- 2.8. Further information will be provided to a future meeting of the Concessionary Fares Working Group when it becomes available.

Sub National Review

- 2.9. 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.
- 2.10. 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 resolved to send 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.
- 2.11. Responses have been received from both organisations. 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. It is proposed to pursue the issue with the contacts suggested.

Strategic Rail Update

- 2.12. The Department for Transport (DfT)'s High Level Output Statement (HLOS) sets out details of the quality, capacity and safety outputs that the DfT wishes to purchase from the industry in the next five-year period (2009 to 2014). It has been previously reported that the DfT's initial assessment was that, of the national figure of 1,300 additional carriages, the Leeds City Region would require between 60 and 90.
- 2.13. Metro has subsequently undertaken a detailed line-by-line assessment, which indicates that the requirement is higher than the DfT's initial estimate. These findings were presented to the DfT in October. The DfT is currently suggesting that the final number of carriages allocated to the Leeds City Region will be dependent upon the timetable and infrastructure solutions which are currently proposed in the Route Utilisation Strategies, Network Rail's Strategic Business Plan for 2009 – 2014 and negotiations with Northern Rail on rolling stock procurement.

- 2.14. Metro, with the support of all northern PTEs, has written to the DfT offering to lead the PTE input to this next stage of the process across the Northern franchise. The outcome of this work will be a proposed change to the Northern franchise which will be reported to a future meeting of the Authority.
- 2.15. As part of the overall industry planning process, a draft Route Utilisation Strategy (RUS) for the Yorkshire and Humber region was published by Network Rail at the end of September. The RUS sets out a line of route strategy that Network Rail, in consultation with stakeholders, considers is necessary to deliver the DfT's High Level Output Statement.
- 2.16. A formal consultation process is now taking place and Network Rail is asking for responses to its draft proposals by 18 December this year. The Authority's Rail Working Group will consider the RUS and a proposed consultation response at its next meeting.
- 2.17. The Office of Rail Regulation (ORR) has published its final determination on Network Rail's proposed funding in its Strategic Business Plan for Control Period 4 (2009 – 2014). Despite Metro's concerns about the ORR's proposed reduction in Network Rail's overall spend, (particularly in relation to proposed infrastructure works to deliver the additional capacity required in the Leeds City Region) the ORR has limited Network Rail's spend at £26.7bn, which is £2.4bn less than Network Rail had asked for. In determining the lower sum of money, the ORR has said that Network Rail must improve its efficiency by 21%.
- 2.18. The ORR appears to be suggesting that it is now up to Network Rail to decide how it applies the overall total to all of the schemes previously identified. The ORR's draft determination suggested that the Leeds works should be reduced in cost by £34 million. Metro will make representations to Network Rail to ensure that the required capacity schemes in the Leeds City Region are delivered.

East Coast Main Line Services

- 2.19. Earlier this year, the Office of Rail Regulation, as part of a formal consultation process, sought views from stakeholders on a number of bids being made to them by train operators for new or modified services between the region and London and a new service between Scotland and London. Proposals have been put forward by;
- National Express East Coast (the franchise operator of the existing East Coast Main Line services). As part of a franchise commitment they are proposing faster journey times between Leeds and London. In addition they are proposing to operate a new service of 6 trains per day between London, Leeds and Harrogate and an extension of their existing Leeds service to Bradford Forster Square (15 trains per day);

- Open access operator, Grand Union Railway (part of the same group as Grand Central Railway). They are proposing a new service of 4 return trains per day (with aspirations for more) between Bradford, Halifax, Brighouse, Wakefield, Pontefract and London);
 - Open access operator, Hull Trains, (part of Firstgroup) but trading as Harrogate Trains. They are proposing a new service of 4 return trains per day between London, York and Harrogate;
 - New open access operator Platinum Trains. A new service between Scotland and London.
- 2.20. It is recognised within the rail industry that there is not the capacity on the East Coast Main Line between Doncaster and London for all of these proposed services to operate and the ORR appointed Network Rail to carry out feasibility work on the options. The initial work highlighted a number of timetable issues relating to some of the proposed service enhancements.
- 2.21. Metro, in partnership with Yorkshire Forward, commissioned a piece of independent work to establish which of the services offers the most overall benefit to the region. The conclusions of the report (which has been provided to the ORR) suggest that the National Express proposals provide the greatest benefits to the region.
- 2.22. Subsequently, Metro has met with Grand Union/Grand Central and they have asserted that their service can operate in addition to the National Express proposals. Clearly if this service can also be accommodated it would provide additional benefits to the region. A final decision from the ORR is expected in the first part of 2009.

3. FINANCIAL AND LEGAL IMPLICATIONS

- 3.1. None as a result of this report.

4. STAFFING IMPLICATIONS

- 4.1. None

5. EQUAL OPPORTUNITY IMPLICATIONS

- 5.1. None

6. RECOMMENDATIONS

- 6.1. That the report is noted.

Director General
West Yorkshire Passenger Transport Executive