

WEST YORKSHIRE PASSENGER TRANSPORT AUTHORITY

DATE: 17 NOVEMBER 2006

AGENDA ITEM NO: 22

SUBJECT: NATIONAL POLICY DEVELOPMENTS

Report of the Passenger Transport Executive

1. MATTER FOR CONSIDERATION

1.1. Recent developments in national policy affecting WYPTA.

2. INFORMATION

2.1. This report summarises two recent national policy initiatives relating to local government and the legal framework for bus services outside (London and Northern Ireland).

Local Government White Paper

2.2. The Local Government White Paper (Strong and Prosperous Communities) was published on 26 October 2006. The White Paper is available from the PTA office and from the internet (www.communities.gov.uk/). A summary is attached as Appendix 1.

2.3. Ruth Kelly (Secretary of State for Communities and Local Government) said that the proposals 'aim to give local people and local communities more influence and power to improve their lives'.

2.4. The paper contains a number of proposals to strengthen involvement at a local area and neighbourhood level and seeks to strengthen the role of local councillors which should be 'champions for their local community'.

2.5. A core proposal is to strengthen leadership and accountability of local authorities. The White Paper proposes that every council will have to choose one of the following models:

- a directly elected mayor;
- a directly elected executive of councillors;
- a leader elected by their fellow-councillors with a clear four year mandate.

- 2.6. In every case the leadership term will be four years (at present Leaders can change whenever there are local elections which is every 1-2 years).
- 2.7. Two-tier authorities (such as North Yorkshire) will be invited to seek unitary status although this will not be mandatory.
- 2.8. There has been debate in government about the role of City Regions (such as the Leeds City region which includes West Yorkshire, York, Barnsley, Selby, Harrogate and Craven districts). Some ministers such as Ruth Kelly favour the City Region model whilst others, such as John Healy (Treasury Minister), appear to be more cautious.
- 2.9. The White Paper makes no firm proposals for City regions, but refers to developing 'Multi-Area Agreements' which cross local authority boundaries. Government will encourage stronger leadership models for City Regions including mayors or directly elected executives where such arrangements are supported locally.
- 2.10. There is a significant omission in that the White Paper discusses powers for local authorities but not funding, which is the subject of the review being conducted by Sir Michael Lyons. There is also a feeling that the paper focuses on governance arrangements more than significantly reversing the trend of more central Government control.

Implications for PTAs and PTEs

- 2.11. The White Paper states that the Department for Transport (DfT) will propose 'a package of reforms for PTAs and PTEs to strengthen leadership' and enable a more coherent approach to transport in our biggest cities.
- 2.12. The White Paper suggests that powers will be devolved to local authorities across the country to ensure that communities have the bus services they need. It is expected that this aspiration will be reflected in the current review of the policy framework for local bus services, as set out below.

Transport Innovation Fund Announcement

- 2.13. The outcome of the second round of bidding for pump-priming funding from the Transport Innovation Fund was announced on 6 November.
- 2.14. The submission from the Leeds City Region was rejected.
- 2.15. This is very disappointing given the involvement of the Department for Transport in the development of the bid, the willingness to address the criteria for TIF funding and the options for a reduced scale of activity should overall funding be constrained.

- 2.16. An analysis of successful bids is being undertaken in order to ascertain any quality or commitment issues that might have affected the bidding outcome. It will be suggested that the City Region Leaders and WYPTA Chair seek a meeting with the Secretary of State to discuss the Government's commitment to enabling transport investment required to support economic growth.

Bus Policy Review

- 2.17. The Transport Select Committee published their report on bus services on 26 October 2006. Metro, through PTEG, provided evidence to the enquiry.
- 2.18. The Select Committee received a range of evidence covering successful partnerships and examples of where bus services were failing to meet local needs.
- 2.19. The report concluded that the current framework for bus services outside London was flawed and 'could not be made to work'. The report advocated greater flexibility for those authorities who wished to seek the use of Bus Quality Contracts and a stronger role for the Traffic Commissioner in monitoring the performance of local bus services.
- 2.20. The Select Committee Report is available from the internet (http://www.parliament.uk/parliamentary_committees/transport_committee.cfm) and from the PTA office. The summary and conclusions are attached as Appendix 2.
- 2.21. The Department for Transport have been considering how the current framework for partnership could be made more effective. This work has recognised that some barriers are the result of tensions between the transport and competition legislation and the role of the Office of Fair Trading. It is not clear how these barriers can be reduced given national and European competition law. Nevertheless Metro is continuing to seek to achieve as much as possible for passengers through partnership with operators and District Councils. These activities will build upon existing formalised partnerships, such as this for guided busway investment and Statutory Quality Partnership agreements (as used recently by SYPTTE and envisaged for Route 4, Pudsey-Whinmoor, Leeds)
- 2.22. The new Secretary of State, Douglas Alexander, announced a more fundamental review of bus policy at the September Labour Party Conference.
- 2.23. It is proposed that Metro contribute to SIG/PTEG input and lobbying regarding this policy review, with key objectives being:
- lower barriers to the introduction of Bus Quality Contracts where these are deemed to be the most appropriate way of securing improvements to bus services;

- local determination of the need for Bus Quality Contracts (rather than application to the Secretary of State for Transport);
- longer contract length to provide greater incentives for investment and longer-term partnership working;
- national leadership on issues such as depots, staff and transition arrangements;
- powers for PTEs to be the 'operator of last resort' (similar to DfT powers in relation to rail franchises).

3. FINANCIAL AND EC PROCUREMENT IMPLICATIONS

3.1. None as a result of this report.

4. STAFFING IMPLICATIONS

4.1. None as a result of this report.

5. EQUAL OPPORTUNITY IMPLICATIONS

5.1. None as a result of this report.

6. RECOMMENDATIONS

6.1. That the report be noted.

6.2. That the implications for PTA/PTEs being further considered through the Authority's Governance Committee.

Director General
West Yorkshire Passenger Transport Executive