

# WEST YORKSHIRE PASSENGER TRANSPORT AUTHORITY

## AUDIT AND GOVERNANCE COMMITTEE

DATE: 28 SEPTEMBER 2007

AGENDA ITEM NO: 9

**SUBJECT: DRAFT LOCAL TRANSPORT BILL**

### Report of the Passenger Transport Executive

#### 1. MATTER FOR CONSIDERATION

- 1.1. An update on the draft Local Transport Bill and review of powers and governance.

#### 2. INFORMATION

##### Background

- 2.1 At the last meeting of the Working Group, the government's consultation on the draft Local Transport Bill was discussed. The draft Bill covers the following three areas:
  - Enhanced local bus services;
  - changes to transport powers and governance; and
  - local road pricing schemes.
- 2.2 The Authority approved a response to be incorporated into submissions from PTA SIG/pteg and the Leeds City Region. These responses were submitted by the consultation deadline of 7 September 2007.
- 2.3 Government will now be considering these responses and preparing the legislation for parliamentary scrutiny. It is expected that the bill will be introduced in the forthcoming (2007/8) session of parliament and enacted in 2008. Government is consulting separately on further issues in relation to the Traffic Commissioner and Bus Service Operator's Grant (BSOG). These elements will be considered in more detail by the Bus Working Group.
- 2.4 The Authority has also agreed an approach to a review of powers governance in relation to transport to be undertaken in advance of the Bill being enacted. A seminar was arranged to discuss the process with Members.

## Members' Seminar

- 2.5 A seminar for Members of the Authority was held on 19 September 2007. Members were updated on the Bill and the process for the review of governance arrangements was discussed. The main points from the presentation and subsequent discussion are set out in the paragraphs below:
- 2.6 The DfT is currently considering the consultation responses and it is still expected that the Bill will feature in the forthcoming Queen's Speech. Although it is not entirely certain, it is likely that the earliest the Bill could be enacted is summer 2008. This provides a window of 8-10 months to undertake the review of governance.
- 2.7 In addition to the proposed changes to powers and governance, the draft Bill also contains key provisions in relation to improving the delivery of local bus services. The response from PTA SIG/pteg had focussed on the proposed process for implementing bus Quality Contracts to ensure that these became a viable option. It also considered practical aspects of the proposed stronger partnership arrangements and clarification of issues around exemptions from the Competition Act. Further consultations on the future role of the Traffic Commissioner and Bus Service Operators' Grant would be considered in more detail by the Bus Working Group.
- 2.8 It was reported that the PTA SIG/pteg and City Region responses on powers and governance reflected the issues raised by PTA Members and broadly supported the proposals. In particular, there was agreement that some reform was necessary and that it was right for local areas to decide the appropriate new arrangements. It was recognised that different solutions would be appropriate in different areas and the potential issues relating to authorities such as City of York Council and North Yorkshire County Council (which are currently outside the metropolitan area) were recognised. The complexity of developing an appropriate solution for the city region highlighted the need to start the review of governance in advance of the bill being enacted.
- 2.9 The terms of reference for the review (attached as Appendix A) were discussed. It was explained that the use of independent consultants (procured by Metro) would ensure that the review was impartial, but would also bring in expert knowledge including best practice and emerging proposals in other city regions. It was emphasised that although Metro will procure the external advice, funding contributions would be sought from all the city region authorities. It was further emphasised that work already undertaken would be provided to the consultants (to avoid duplication) and that the work would be carefully phased so that costs were controlled.

- 2.10 An officer steering group had been established to oversee the review and this would include the Director General and Director, Development from Metro together with a representative from the West Yorkshire Chief Executives, the City Region Secretariat and the non-West Yorkshire authorities. This would ensure that appropriate reporting took place to the relevant authorities at each stage of the process.
- 2.11 Alongside the city region review, it was proposed to establish a change management team within Metro. The purpose of this was to identify the implications from the governance review for Metro's organisation and structure and the make recommendations for change. Proposed changes would be brought to the Authority at an appropriate time. The proposed terms of reference were discussed.
- 2.12 In the discussion, Members emphasised the key role of the Audit and Governance Committee overseeing the detailed work. It was also stressed that other relevant PTA Working Groups would need to be involved and that the Authority itself would maintain an overview. The importance of keeping all members informed was emphasised. It was agreed that a detailed work programme would be developed setting out dates for Members' seminars and the reporting process to Working Groups and the meetings of the Authority.

### **3. FINANCIAL AND LEGAL IMPLICATIONS**

- 3.1. The cost of procuring external consultants for the review of governance will be met from existing budgets and appropriate contributions sought from all city region authorities.

### **4. STAFFING IMPLICATIONS**

- 4.1. The staffing implications of new arrangements as a result of the review will be fully explored through Metro's internal change management team and reported to the Authority as appropriate.

### **5. EQUAL OPPORTUNITY IMPLICATIONS**

- 5.1. None.

### **6. RECOMMENDATIONS**

- 6.1. That the report is noted.

Director General  
West Yorkshire Passenger Transport Executive

# Appendix A

## Draft Terms of Reference for Review of Governance

### Objectives

To review transport powers and governance arrangements across the Leeds City Region and develop a preferred way forward in advance of the initiation of a formal review following the enactment of the Local Transport Bill.

### Outline Methodology

#### Phase 1

- Discussions with stakeholders on key issues and objectives
- Definition of overall objectives for revised arrangements
- An analysis of the strengths and weaknesses of the current arrangements
- A review of governance arrangements (and emerging proposals) elsewhere in metropolitan areas and other core cities
- An overview of potential governance models that could apply within West Yorkshire and the Leeds City Region
- Interim report on above

#### Phase 2

- Discussions with key stakeholders on first phase
- An assessment of the strengths and weaknesses of each of the potential models identified
- An assessment of costs and efficiencies associated with each model
- A detailed assessment of how appropriate accountability will be built into the models
- A recommendation on the preferred model
- A proposed strategy and timescale for implementation.
- A final report

## **Management Arrangements**

It is proposed that a high level Steering Group will be established to oversee the process. It is envisaged that the review will be undertaken within the frameworks of AWYA, the PTA and City Region (Leaders' Board, Transport Panel and Connectivity Partnership). It is proposed to engage independent consultants to oversee the work, undertake stakeholder consultation and produce report(s) as appropriate. A brief for the work will be developed.

## **Consultation**

Consultation with the affected authorities and key stakeholders will be a core part of the review and will include a series of workshop sessions. Core consultees in the process will be:

- The 11 City Region Local Authorities
- Metro (PTA and PTE) and South Yorkshire PTA/E
- AWYA
- Leeds City Region Leaders Board/ Transport Panel

Other consultees/ stakeholders will include:

- DfT and GOYH
- Yorkshire Forward
- Yorkshire and The Humber Regional Assembly
- Bus and rail operators
- Highways Agency
- Network Rail
- Business Representatives
- Interest and User Groups

## **Timescale**

It is envisaged that the review would commence in the Autumn of 2007 and be completed by Summer 2008