

PLYMOUTH CITY COUNCIL

Subject: Sub-National Transport Body for the South West Peninsula

Committee: Cabinet
Date: 10th July 2018
Cabinet Member: Councillor Tudor Evans OBE, Leader
CMT Member: Anthony Payne (Strategic Director for Place)
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Ref: STB001
Key Decision: Yes
Part: I

Purpose of the report:

This decision seeks the approval of Cabinet to form a shadow Sub-National Transport Body (STB) by entering into an informal partnership with other authorities in the South West and key agencies responsible for infrastructure investment. The shadow STB will be the principal mechanism for dialogue with Government regarding strategic transport investment in the area.

Corporate Plan:

The Body will play an important role in helping to grow the city into one of Europe's most vibrant waterfronts, where an outstanding quality of life is enjoyed by everyone. Our voice on regional and national infrastructure matters will be strongest by joining the shadow Sub-National Transport Body for the south west peninsula.

Implications for Medium Term Financial Plan and Resource Implications: Including finance, human, IT and land:

Financial Implications:

It is likely that additional financial resources will be required to set up and administer the new Body. Technical work is also likely to be commissioned to develop the required evidence base and transport strategy setting out the strategic transport investment needs of the area. Government's intention is for the required evidence base to be proportionate and it is anticipated that much of the required information can be brought together from existing studies and expertise already within the partner authorities.

Nonetheless it is prudent to assume that some additional technical work will be required. The local transport authorities of the shadow STB must make a contribution in respect of any reasonably incurred costs if they agree on the need for a contribution and the amount required.

Funding contributions will be sought, subject to agreement, between the six local authorities forming the partnership, with a preference that contributions are split proportionately per head of population. The intention is to submit a business case to Government for additional funding to enable the body to become a sustainable entity.

On the basis that the likely total partnership budget required will be between £250,000 and £400,000, Plymouth City Council's individual contribution will be of the order of £25k - £40k is likely to be required from Plymouth City Council to fund the initial activity of the Body and lever-in further Government funded financial support. This is a new duty being placed upon the Council and as such creates a new pressure that will be funded from within the existing Strategic Planning and Infrastructure budget. By way of comparison, Transport for the South East has an initial partnership budget of £500k. The financial implications will be kept under close review and the affordability of the Body will be reviewed in due course once the likelihood of Government support and the potential benefits from new infrastructure investment are clearly established.

Legal Implications:

There is no statutory requirement for a STB, but Government has made it clear that it's strong preference is for strategic transport infrastructure priorities to be established through such a body rather than dealing with individual local authorities. The following quotes below have been taken from the Major Road Network (MRN) consultation paper¹.

"The creation of the Major Road Network (MRN) should support long-term strategic consideration of investment needs in order to make best use of the targeted funding that will be made available from the National Roads Fund and deliver the best possible result for the user".

"The important national and regional role played by roads included in the MRN means that individual Local Authorities cannot plan investment in isolation, nor can decisions be completely centralised at either a regional or national level".

... Continued

"STBs, where they exist, are best placed to carry out this important strategic role for the MRN. They are bodies designed to enable regions to speak with one voice on strategic transport planning and the skills and expertise that they are developing will be vital in delivering our objectives for the MRN. Where STBs have yet to be formed, such as in the East and South West of England we propose that local authorities and Local Enterprise Partnerships should, in consultation with the Department, form agreed regional groups to manage this work, ideally using existing mechanisms".

The terms of reference for the Body propose that a shadow STB is created as an informal partnership, whilst a more detailed business case for a statutory body with new powers is considered.

A statutory body would be constituted under the Cities and Local Government Devolution Act 2016 which enables the Secretary of State to establish such a body. The Body would then be required, amongst other tasks, to publish a transport strategy for the area which the Secretary of State must have regard to in setting and implementing national transport policy as it relates to the STB area.

Members of the STB Board will retain their existing accountabilities and responsibilities for transport. During the Board's shadow operating phase they will also be responsible for ensuring that necessary approvals for STB Board decisions are obtained within their organisation.

¹ *Proposal for the Creation of a Major Road Network, Consultation, Moving Britain Ahead, December 2017, page 28.*
https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/670527/major-road-network-consultation.pdf

It is not proposed to establish standalone scrutiny arrangements for the STB during the shadow phase of operation, but as formal proposals for a statutory body are developed for submission to Government, consideration shall be given in consultation with the Department for Transport (DfT), as to what formal scrutiny requirements will be required once the STB is fully operational. During the shadow phase it will be for each of the constituent authorities to scrutinise the activities of the Board through their own scrutiny arrangements.

During the shadow phase the STB as no statutory standing, cannot enter contracts and cannot employ staff. Therefore, for the shadow phase of operation, the STB will need to appoint a Lead Authority responsible for coordinating and administering the project, including matters such as managing any available budget, keeping appropriate accounting and operational records and overseeing the preparation of the proposal to the Secretary of State to transition to a statutory Body.

The full detail of the Lead Authority role will be set out in an Inter-Authority Agreement to be agreed by all constituent organisations.

HR Implications:

There are no HR implications at this stage in setting up a shadow STB as an informal partnership. In due course the Lead Authority may need to employ dedicated staff to administer the shadow Body and this will be a matter for further decisions once the Lead Authority is identified.

Risk Implications:

The key risk is a loss of potential strategic infrastructure investment should the Council choose not to enter into a partnership to form a Sub-National Transport Body.

Other Implications: e.g. Child Poverty, Community Safety, Health and Safety and Risk Management:

Equalities Implications

The STB will identify strategic transport infrastructure investment priorities which are intended to lead to funding allocations for new strategic transport schemes in the area, including within Plymouth.

Access

The STB may increase transport investment in strategic road, rail, air and ports transport infrastructure, which may include improved provisions for pedestrians and cyclists as well as wheelchair users and people with mobility issues.

Equality and Diversity

Impacts on people with protected characteristics have been considered and the following issues identified: Any transport improvements will provide an appropriate environment for people with disabilities and for younger and older people to move around the area and use the transport system safely. The detailed designs of any schemes will be compliant with access requirements for people with disabilities. Contracts will cover requirements for the conduct of the staff on the ground.

Human Rights

Human rights issues have been considered and none have been identified.

Community Safety Implications

Community safety issues have been considered and the STB may increase investment in strategic transport projects which have community safety benefits.

Sustainability Implications

Community safety issues have been considered and the STB may increase investment in strategic transport projects which improve access for all users and makes improved provision for pedestrians, cyclists and public transport users which will promote travel by these sustainable forms of transport.

Health and Safety Implications

The contractor constructing any schemes will be required to comply with stringent health and safety requirements.

Privacy Implications

Privacy issues have been considered and none have been identified.

Health and Wellbeing Implications

Community safety issues have been considered and the STB may increase investment in strategic transport projects which encourage health and wellbeing via the sustainable travel benefits set out above in respect of enabling walking and cycling.

Equality and Diversity:

Has an Equality Impact Assessment been undertaken?

Yes

Recommendations and Reasons for recommended action:

That cabinet:

1. Agrees to join an informal partnership with Cornwall Council, Torbay Council, Devon County Council, Dorset County Council and Somerset County Council; which will be known as a shadow Sub-National Transport Body for the South West Peninsula, subject to Government agreeing with that proposal and subject to formal agreement of a final terms of reference once the partnership has formally convened.

Reasoning: Local Authorities across the South West Region are embracing the need to put into place sub-national transport bodies (STBs) which provides them with the ability to speak with one clear voice on the challenges and investment needs for the region. In return, STBs would receive a unique opportunity for unprecedented access to Government and will gain a greater role in advising strategic investment decisions across the south west.

2. Agrees that the draft Terms of Reference and Heads of Terms attached as Appendix A provides an appropriate basis in principle upon which to create a partnership.

Reasoning: Provides the basis for the creation of the partnership and the ways in which the partnership will work.

3. Delegates authority to the Strategic Director for Place in consultation with the Cabinet Member for Strategic Planning and Infrastructure to agree the final Terms of Reference for the shadow sub-national transport body subject to the terms being generally in accordance with the draft terms attached as Appendix A.

Reasoning: Delegates authority to the appropriate Cabinet Member and Senior Officer to agree the final Terms of Reference, subject to the terms being generally in accordance with the draft in Appendix A.

4. Delegates authority to the Strategic Director for Place in consultation with the Cabinet Member for Strategic Planning and Infrastructure to develop and agree a constitution for the South West Peninsula Sub-National Transport Body with the partner authorities.

Reasoning: To set out an Inter-Authority Agreement to enable the informal partnership to operate.

5. Appoints the Cabinet Member for Strategic Planning and Infrastructure to represent the Council on the shadow Sub-National Transport Body.

Reasoning: To ensure that Plymouth is represented by the appropriate member at a regional level.

6. Delegates authority to the Strategic Director for Place and the Cabinet Member for Strategic Planning and Infrastructure to agree a prospectus for the proposed Body for communication purposes.

Reasoning: To demonstrate the benefits of the STB to a wide audience – in line with the approaches taken by other STB's i.e. Transport for the North.

7. Approves an initial partnership funding contribution of up to £40,000.

Reasoning: To facilitate the development and operation of the partnership, and to lever in match-funding from Government; with the actual value of the contribution to be agreed.

Alternative options considered and rejected:

Sub-National Transport Bodies (STBs) were identified, with accompanying legislation, within the Cities and Local Government Devolution Act 2016. By formulating a statutory body, local authorities will have the ability to have direct influence over decisions that are currently within the control of Government and its agencies. This Act allows existing individual authorities to join formally in a partnership with another authority or authorities, to formulate and potentially deliver a transport strategy for the wider area.

The South West Region remains the only part of England not covered by an STB or shadow STB, and Government has highlighted that it expects such a body to be put in place to enable discussions and agreement upon strategic transport infrastructure investment priorities.

The South West Region risks losing out on essential infrastructure investment without such a body in place.

In recent years two distinct sub-national groupings have emerged in relation to particular economic challenges and functional geographies, and already have a clear understanding of the strategic investment needs in their area.

Local Authorities across the South West Region have embraced the need to put in place two Sub-National Transport Bodies (STBs) to provide the ability to speak with one voice about the challenges and investment needs in each area. This is set out in a joint letter sent to Government (see Appendix B). Forming two bodies, initially as informal partnerships; would be the most effective way to swiftly put in place a clear mechanism for Government to engage formally with us on strategic transport investment matters, including use of the National Roads Fund to improve highways included in the emerging new Major Road Network.

Published work / information:

Cities and Local Government Devolution Act 2016
<http://www.legislation.gov.uk/ukpga/2016/1/contents/enacted>

Background papers:

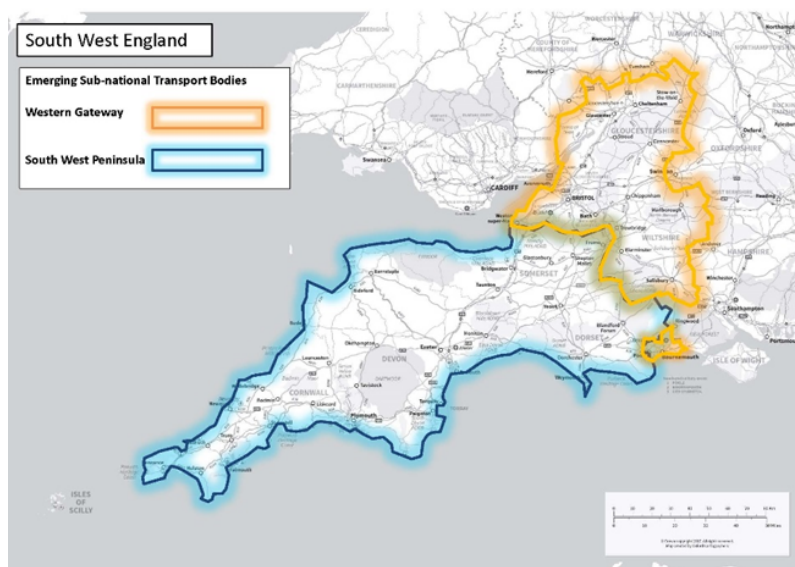
Title	Part I	Part II	Exemption Paragraph Number							
			1	2	3	4	5	6	7	

Sign off:

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Originating SMT Member: Anthony Payne													
Has the Cabinet Member(s) agreed the content of the report? Yes / No													

1. Background

- 1.1. Local Authorities across England are responding to Government's request for more strategic thinking about transport investment with the aim of improving regional productivity and sustainable economic growth by joining up to become Sub-National Transport Bodies (STB) using legislation, within the Cities and Local Government Devolution Act 2016.
- 1.2. Nationally three STBs have been formed and are working towards becoming statutory authorities. They include: Transport for the North, Midlands Connect and England's Economic Heartland. In addition, a shadow STB has been created for South East England and work has begun on creating a STB for East Anglia. The South West remains the only part of England not covered.
- 1.3. A recent consultation document on defining a new tier in the Major Road Network (MRN) for England, has highlighted Government's intention to work with STBs to agree investment priorities. Authorities in the South West have identified that a failure to put STBs in place would present a considerable risk in missing out on investment opportunities and that such bodies will provide a unique opportunity for gaining unprecedented access to Government and a key role in advising on the use of the new National Roads Fund and other infrastructure investment processes.
- 1.4. The Authorities are now well progressed in setting up two STBs, Western Gateway and South West Peninsula, to cover the South West Region; and are on-track to establish shadow bodies as informal partnerships by September 2018 whilst longer-term discussions about statutory body status take place. The SW authorities wrote to the Department for Regions, Cities and Devolution in June 2018 (attached as Appendix B) setting out the intention to set up two bodies and explaining the benefits and opportunities that this would create.
- 1.5. A draft Terms of Reference and some Heads of Terms (for those subjects not yet drafted in any detail) for the shadow South West Peninsula STB has been drafted and is attached as Appendix A.
- 1.6. Work is now underway to establish the detailed resourcing requirements and activity required to develop the evidence base and transport strategy which will be the key initial output from the Body to inform imminent discussions with Government about strategic transport investment needs.
- 1.7. Corridor alliances such as those formed around the A303 corridor and the Bristol South West Economic Link are a strong feature of joint working in the area and will remain a key mechanism for joint working between the two Bodies.



- 1.8.** The draft terms of reference for both Bodies refer to the opportunity for local authorities to become 'associate members' of bodies where they are not part of the core STB area but have important strategic connectivity issues and investment needs related to a neighbouring STB. It would be beneficial for Somerset County Council to become an associate member of the Western Gateway STB given the investment needs and connectivity issues on the road and rail corridors that would be shared priorities with the Western Gateway area (e.g. M5, A38, A303, rail links to Bristol etc).
- 1.9.** Similarly the West of England Combined Authority has recently been created to facilitate strategic planning for the West of England area and there may be opportunities and benefits with forming a more formal association with that body.
- 1.10.** The sub-national transport body model being followed is similar to the recently established for 'Transport for the South East' which has an informal partnership in place utilising a £0.5m budget formed of contributions from its constituent authorities. The budget has been used to set up governance arrangements, a programme management office and technical workstreams which include preparing an initial evidence base and 'connectivity review' which has now been published. The body has recently been awarded £1m by the DfT to develop its transport strategy and activity needed to become a statutory body by 2020.

2. Options considered and reasons for rejecting them

- 2.1.** Several detailed options for setting up Sub-National Transport Bodies have been discussed with the South West local authorities, and the proposal for the two bodies set out in paragraph 1.4. has emerged as the consensus view.
- 2.2.** The alternative options considered are as follows:
 - Seek to establish a statutory body from the outset. This is not recommended due to the need to swiftly put in place a body for Government to deal with; statutory body status will take several years to progress.
 - Seek to establish one body for the whole South West Region. This is not recommended for the reasons set out in Appendix B.
 - Not to form a partnership with other authorities and seek to negotiate future strategic transport investment with Government as an individual authority. This is not recommended as Government has expressed a strong preference for such bodies. An authority seeking an individual relationship with DfT on these matters would be unlikely to attract any significant new investment.

3. Background Papers

- 3.1.** None
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