

Summary Sheet

Committee Name and Date of Committee Meeting

Overview and Scrutiny Management Board – 11 October 2017

Report Title

Transport for the North

Is this a Key Decision and has it been included on the Forward Plan?

Yes

Strategic Director Approving Submission of the Report

Damien Wilson – Strategic Director of Regeneration and Environment

Report Author(s)

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Ward(s) Affected

All

Executive Summary

The purpose of this report is for the Council as Local Highway Authority to consider consenting to the making of Regulations by the Secretary of State to establish Transport for the North (TfN) as a Sub-National Transport Body under section 102J of the Local Transport Act 2008.

The consent of each Highway Authority within the area of each Combined Authority which is a Constituent Authority of TfN is required to the making of Regulations by the Secretary of State because the Regulations contain provisions giving TfN highway powers to be exercised concurrently with the Local Highway Authorities.

The stated purpose of TfN is to transform the transport system of the North of England by planning and delivering the improvements needed to truly connect the region with fast, frequent and reliable transport links, driving economic growth and creating a Northern Powerhouse.

The proposed decision has been requested to be exempt from call-in in order to meet the deadline from Government on 20 October 2017. The Chair of Overview and Scrutiny Management Board and the Leader of the Opposition Group have consented to this request. As part of the pre-decision scrutiny process, it will be presented to the Overview and Scrutiny Management Board on 11 October 2017.

Recommendation

That Rotherham Metropolitan Borough Council formally consent under section 102J of the Local Transport Act 2008 to the making by the Secretary of State of Regulations to establish Transport for the North (TfN) as a Sub-National Transport Body and giving TfN concurrent highway powers.

List of Appendices Included

Appendix A – Constituent member Authorities

Background Papers

None

Consideration by any other Council Committee, Scrutiny or Advisory Panel

Cabinet and Commissioners' Decision Making Meeting – 16 October 2017

Council Approval Required

No

Exempt from the Press and Public

No

Title:

Transport for the North

1. Recommendation:

- 1.1 That Rotherham Metropolitan Borough Council formally consent under section 102J of the Local Transport Act 2008 to the making by the Secretary of State of Regulations to establish Transport for the North (TfN) as a Sub-National Transport Body and giving TfN concurrent highway powers.

2. Background

- 2.1 To address concerns about transport connectivity across the North of England, Local Transport Authorities and Local Enterprise Partnerships across the North came together in 2014 in a partnership with the Department for Transport (DfT) and the National Transport Agencies to form Transport for the North (TfN). Together they have developed an ambitious pan-northern transport strategy to drive economic growth in the North.
- 2.2 In October 2016, with the agreement of the Constituent Authorities; set out in 'Appendix A', TfN submitted a proposal to the Secretary of State for Transport that TfN should be established as the first Sub-National Transport Body (STB) under the provisions of section 102E of the Local Transport Act 2008 as amended by the Cities and Local Government Devolution Act 2016.
- 2.3 The Secretary of State has now formally responded to the proposal and has indicated that he is minded to make Regulations creating TfN as the first Sub-National Transport Body. It will have responsibility for the following functions:
- a) The preparation of a Northern Transport Strategy;
 - b) The provision of advice on the North's priorities, as a Statutory Partner in the Department's investment processes;
 - c) The coordination of regional transport activities, (such as smart ticketing), and the co-management of the TransPennine Express and Northern rail franchises through the acquisition of Rail North Ltd.
- 2.4 Before the Secretary of State can make the Regulations he must obtain consent to the making of the Regulations from each of the 19 Constituent Authorities identified at 'Appendix A' and also consent to the granting of concurrent highway powers from each of the Highway Authorities within TfN's area.
- 3. Key Issues**
- 3.1 Poor connectivity is central to understanding the economic challenges of the North. There is disproportionately lower investment in transport in the North compared with London and other city regions across Europe. A series of studies have shown how investing in transport infrastructure can unlock the economic potential of the North.

- 3.2 The North has had no way of agreeing strategic priorities, with the responsibility for transport divided over many organisations at different geographical levels. This has made it hard to properly consider and prioritise the right strategic transport interventions to transform economic growth at the regional scale. As a result, the North has been unable to speak with one clearly evidenced voice to Government on its transport priorities in Spending Rounds or rail and road investment plans.
- 3.3 TfN has to date been operating as a non-statutory body and working with the DfT on agreeing its remit whilst at the same time building the organisation. Representatives from Sheffield City Region have been working with TfN to develop the draft regulations that will enable TfN to become a Sub-National Transport Body.
- 3.4 Importantly TfN will not be able to exercise any of the highway powers which they hold concurrently with the Highway Authorities unless the manner in which it proposes to exercise the function has been approved by each of the Highway Authorities through whose area the highway will pass.
- 3.5 There is no intention that TfN will itself become a Highway Authority and before any of these powers may be exercised TfN will need to obtain the express consent of the relevant Highway Authority. These powers would therefore only be exercised in circumstances where all the local Highway Authorities consider that there would be a benefit in TfN carrying out the work.
- 3.6 *Governance*
- 3.6.1 TfN have provided Constituent Authorities with a draft constitution. In terms of governance/decision making the draft constitution sets out that TfN will be made up of one elected member from each Constituent Authority, and this will be, at the choice of the Constituent Authority, either the metro mayor (if applicable), or the chair or leader of the Authority or, where responsibility for transport functions is formally delegated to another elected Member, that elected Member. Each Constituent Authority will have weighted voting rights based on population; for South Yorkshire this is equivalent to 9%. Certain decisions will need a super majority of 75% of the weighted votes (Transport Strategy; Budget and changes to the Constitution).
- 3.6.2 TfN have established a Partnership Board with DfT and other National Agencies and LEP representatives. The role of the Partnership Board is to represent wider business interests and to advise on policies and priorities relating to transport and the effect of transport on the economy of the TfN area and to lead the development operations and delivery of the Regional Transport Strategy.
- 3.6.3 It is intended that before TfN exercises any transport powers or functions it will enter into a written Protocol with the Constituent Authorities or the local Highway Authorities covering the way in which the functions will be exercised.

3.6.4 TfN will participate in the Highways North Board together with Highways England and the Department for Transport. Highways North Board will be the mechanism through which TfN fulfils their statutory partner role in relation to roads. The role of the Board will be to make recommendations in respect of the future Roads Investment Strategy and competitive major roads funding programmes. As previously identified existing Highway Authorities will remain as such with no transfer of functions to TfN.

3.6.5 TfN will participate in the Rail Partnership Board together with the Department for Transport. The Rail Partnership Board will recommend priorities for strategic rail investment and be the forum for TfN to implement its role as statutory partner. The Rail North Partnership Board will be the mechanism through which TfN fulfils their statutory partner role in relation to rail.

4. Options considered and recommended proposal

4.1 Option 1 - The Council does not support the request from Transport for the North which would then have to be reported to the Department for Transport and would likely result in the Government not making the necessary regulations to establish Transport for the North as a Sub-National transport body.

4.2 Option 2 - The Council supports the request from Transport for the North to establish the first Sub-National transport body. This is the recommended option.

4.3 The recommendation of this report is that Rotherham Metropolitan Borough Council formally consent under section 102J of the Local Transport Act 2008 to the making by the Secretary of State of Regulations to establish Transport for the North (TfN) as a Sub-National Transport Body and giving TfN concurrent highway powers.

5. Consultation

5.1 Regulations have now been drafted to create TfN as a Sub-National Transport Body. Before the Secretary of State may make these Regulations each of the Highway Authorities within the areas of the Combined Authorities, which Rotherham is, must consent to the making of the Regulations.

6. Timetable and Accountability for Implementing this Decision

6.1 The TfN's Partnership Board met on the 14th September and reasserted its commitment to the establishment of TfN on a statutory basis by the end of this year with a 'go live' date of 1st April 2018.

6.2 Given the pressure of parliamentary timetable DfT have requested that all consents be submitted to them before 20 October 2017. This deadline is the reason an exemption from call-in has been sought and approved by the Chair of the Overview and Scrutiny Management Board and the Leader of the Opposition Group.

7. Financial and Procurement Implications

- 7.1 In terms of funding, at present the costs of TfN are met from central government funding. However in the future the Constituent Authorities may all be required to contribute to the costs of TfN, but a decision to require such contributions and a decision as to the amount of such contributions would need a unanimous decision of the Constituent Authorities and may only be taken after written consent to the proposal has been received from each of the Constituent Authorities. TfN shall be entitled to accept voluntary contributions towards its costs from any of the Constituent Authorities, this would allow an individual or group of Authorities to fund specific TfN activity.
- 7.2 Payments to support Rail North Limited will continue in their current form which is via South Yorkshire Passenger Transport Executive.

8. Legal Implications

The powers that are to be conferred upon TfN are those relating to the Highways Act 1980 and will be exercised concurrently with the Local Highway Authority:-

- a) Section 8(1) (power to enter agreements with local highways authorities etc for doing certain works)
- b) section 24(2) (power of local highway authority to construct new highways)
- c) section 25(i) (powers to enter into agreement for creation of footpath etc)
- d) section 26 (i) (compulsory powers for creation of footpaths etc)
- e) various functions in sections 239, 240, 246 and 250 relating to the acquisition of land for highway purposes

9. Human Resources Implications

- 9.1 There are no Human Resource implications arising from this report.

10. Implication for Children and Young People and Vulnerable Adults

- 10.1 There are no implications for Children and Young People and Vulnerable Adults.

11. Equalities and Human Rights Implications

- 11.1 There are no Equalities and Human Rights implications relevant to this report.

12. Implications for Partners and Other Directorates

- 12.1 There are no implications for other Directorates whilst if all Constituent Member Highway Authorities support the request then the Government will pass the necessary regulations to create TfN.

13. Risks and Mitigation

- 13.1 There is a risk that one or more of the constituent Highway Authorities may not support the request from TfN which may result in the necessary regulations not being made or delayed.

14. Accountable Officer(s)

Damien Wilson Strategic Director Regeneration & Environment.
Paul Woodcock Assistant Director - Planning, Regeneration & Transport
Ian Ashmore Transportation and Highways Design Manager

Approvals obtained on behalf of:-

	Named Officer	Date
Strategic Director of Finance & Customer Services	Judith Badger	28.09.2017
Assistant Director of Legal Services	Dermot Pearson	28.09.2017
Head of Procurement (if appropriate)	N/A	
Head of Human Resources (if appropriate)	N/A	

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