

NORTH LINCOLNSHIRE COUNCIL

ENVIRONMENT CABINET MEMBER

PROPOSAL TO ESTABLISH A SUB-NATIONAL TRANSPORT BODY

1. OBJECT AND KEY POINTS IN THIS REPORT

- 1.1 North Lincolnshire Council is a member of both Transport for the North and Rail North.
- 1.2 Transport for the North is consulting on a proposal to establish a sub-national transport body.
- 1.3 This report seeks member approval to support the proposal by Transport for the North to establish a sub-national transport body.
- 1.4 This report requires an urgent decision to enable Transport for the North to adhere to their agreed timetable. North Lincolnshire Council are the last local authority to provide their decision on their support for the creation of the sub-national transport body.

2. BACKGROUND INFORMATION

- 2.1 Transport for the North (TfN) is a partnership established in October 2014 between the local transport authorities, combined authorities and Local Enterprise Partnerships from the whole of the North of England. Transport for the North works with Government, Highways England, High Speed 2 Ltd and Network Rail through the TfN Partnership Board. North Lincolnshire Council is a member of Transport for the North and its sister agency, Rail North.
- 2.2 Transport for the North aims to:
 - Develop, co-ordinate and oversee the delivery of an ambitious transformation pan-northern transport investment strategy.
 - Speak with one voice on behalf of the North of England, underpinned by robust economic and technical evidence, partnership, stakeholder engagement and governance.
 - Deliver integrated transport connectivity with faster and more frequent journeys and increased passenger and freight capacity

both within the north of England and between the rest of the UK and the World.

- Maximise the potential of transport to drive and support economic growth in the Northern Powerhouse.

2.3 Transport for the North is proposing to establish a sub-national transport body (STB).

2.4 Appendix A sets out the details of the proposal to establish a STB.

2.5 The information below provides some additional information on the proposal.

Legislation

2.6 The Cities and Local Government Devolution Act (January 2016) amends the Local Transport Act 2008 and enables the Secretary of State to establish by regulations a sub-national transport body for any area in England outside of Greater London.

2.7 The regulations may only be made if the Secretary of State considers that:

2.7.1 STB would facilitate development and implementation of transport strategies for the area.

2.7.2 Economic growth would be furthered by development and implementation of such strategies.

Constitutional matters

2.8 The membership of TfN would include 19 local transport authorities (six Combined Authorities, three County Councils, ten Unitary Authorities), including North Lincolnshire Council. There would be six associate members (Staffordshire, Nottinghamshire, Nottingham, Lincolnshire, Derbyshire and Stoke-on-Trent).

2.9 The report includes the proposal that Transport for the North becomes the sole owner of Rail North.

2.10 There would be a presumption that decisions are normally taken by consensus. In the absence of consensus, decisions will be taken on the basis of a system of weighted voting to reflect differences in the populations of the constituent authorities. The weighted voting entitlement of the constituent authorities will be determined on the basis of one vote for each 200,000 or part thereof of the resident population of its area as estimated annually by the Office of National statistics.

2.11 Certain decisions will require both a super-majority consisting of 75% of the weighted vote and a simple majority of the members appointed by the constituent authorities to be carried. Such decisions will include:

- The approval and revision of TfN's transport strategy
- The approval of TfN's annual budget
- Any changes to TfN's constitution

2.12 A scrutiny committee is proposed including at least one member of each constituent authority nominated by the constituent authority.

Functions

2.13 TfN can only derive its function from the following sources:

- General functions of the Local Transport Act 2008 – includes the preparation of a transport strategy and powers to advise, coordinate and make proposals.
- Local transport functions
 - These include concurrent power and TfN anticipate seven of these to be exercised in accordance with protocols agreed between TfN and constituent authorities.
 - The functions will only be used where required, for example
 - To promote social, economic or environmental well-being of its area
 - Implementing smart ticketing scheme across the North
 - Rail franchising: including the right to consulted and to enter into franchising agreements.

Next steps

2.14 TfN is seeking written support from all the 19 local transport authorities.

2.15 TfN is planning to submit the proposals to the Department for Transport in early October 2016.

2.16 Once the proposal is submitted, DfT will draft regulations and consult TfN. TfN members will be further consulted prior to final approvals for membership and draft regulations. Following this, statutory instruments will be drafted and progressed through Parliamentary Stages. The final stage will involve the signing of an Order creating the Transport for the North Sub-National Transport Body.

3. OPTIONS FOR CONSIDERATION

3.1 That the Cabinet Member agrees with the proposal by Transport for the North to create a sub-national transport body as described in this report and that the council duly provides written support for the formation of Transport for the North and agrees to be a full member.

4. ANALYSIS OF OPTIONS

- 4.1 The commitment to be a full member of TfN would be subject to ongoing discussions surrounding the formation of the Greater Lincolnshire Combined Authority and the Combined Authority potential membership of Midlands Connect. Therefore, there may need to be a review of the TfN membership position in the future.
- 4.2. It is our understanding that North Lincolnshire Council are the last remaining local transport authority that have yet to provide their written support for the proposal to establish a STB.
- 4.3 In light of the above and the short timescales involved in taking this matter forward, the Cabinet Member is asked to take an urgent decision on the recommendation.

5. RESOURCE IMPLICATIONS (FINANCIAL, STAFFING, PROPERTY, IT)

- 5.1 There is no direct financial cost for this stage of the proposal to establish a STB.

- 5.2 Paragraph 13 of the proposal to establish a STB states:

“13.1 The regulations should provide for the constituent authorities to make statutory contributions as determined by TfN towards the costs of TfN, provided only that a decision to require such contributions is unanimously agreed by all TfN members appointed by the constituent authorities. The apportionment of such contributions should be determined on the basis of resident Population, unless unanimously agreed to the contrary.

13.2 TfN should be able to accept voluntary contributions to its costs from constituent authorities.

*13.3 An order should be made by the Treasury specifying TfN (or STBs generally) as a body to which **section 33 of the Value Added Tax Act 1994** applies. This would enable TfN to claim refunds of VAT paid by it in certain cases”*

6. OUTCOMES OF INTEGRATED IMPACT ASSESSMENT (IF APPLICABLE)

- 6.1 N/A

7. OUTCOMES OF CONSULTATION AND CONFLICTS OF INTERESTS DECLARED

- 7.1 TfN have consulted with their members on this matter.

8. RECOMMENDATIONS

- 8.1 That the Cabinet Member agrees with the proposal by Transport for the North to create a sub-national transport body as described in this report and that the council duly provides written support for the formation of Transport for the North and agrees to be a full member.

- 8.2 That the Cabinet Member agrees that the support of the council be subject to ongoing discussions surrounding the formation of the Greater Lincolnshire Combined Authority and the Combined Authority's potential future membership of Midlands Connect, potentially necessitating a review of our TfN membership position in the future.

DIRECTOR OF PLACES

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Background Papers used in the preparation of this report

- None