

TRANSPORT COMMITTEE

**MEETING TO BE HELD AT 11.00 AM ON FRIDAY 9 OCTOBER 2015
WELLINGTON HOUSE, 40-50 WELLINGTON STREET, LEEDS**

A G E N D A

1. APOLOGIES FOR ABSENCE

2. DECLARATIONS OF DISCLOSABLE PECUNIARY INTERESTS

3. EXCLUSION OF THE PRESS AND PUBLIC

To identify items where resolutions may be moved to exclude the press and public.

**4. MINUTES OF THE MEETING OF THE TRANSPORT COMMITTEE HELD ON
31 JULY 2015
(pages 4 - 11)**

Copy attached.

**5. NEXT STOP INFORMATION ON BUSES
(pages 12 - 13)**

To consider the attached report.

**6. TRANSPORT ISSUES
(pages 14 - 54)**

To consider the attached report.

7. LEEDS CITY REGION GROWTH DEAL DELIVERY AND BUDGET ALLOCATION PROCESS
(pages 55 - 58)

To consider the attached report.

8. LOCAL TRANSPORT PLAN APPROVALS
(pages 59 - 70)

To consider the attached report.

9. ENHANCEMENT TO THE YOUNG PERSONS' CONCESSIONARY TRAVEL SCHEME
(pages 71 - 88)

To consider the attached report.

***10. ADVERTISING SHELTERS**
(pages 89 - 93)

To consider the attached report.

Signed:

A handwritten signature in black ink, appearing to read 'AS Little', is written over a light blue rectangular background.

Head of Paid Service WYCA

**PUBLIC INSPECTION OF DOCUMENTS AND ACCESS
TO MEETINGS OF THE WEST YORKSHIRE COMBINED AUTHORITY**

Inspection of Documents

- (a) Files containing documentation relating to items to be discussed at the meeting may be inspected by contacting the named officer as detailed below. Certain information may be confidential and not open to inspection.

Exempt Information

- (b) Agenda Item **10** contains exempt information as defined in paragraph 3 of Schedule 12A, Local Government Act 1972 (***Information relating to the financial or business affairs of any particular person (including the authority holding that information)***).

The Authority may exclude the press and public from the meeting during the consideration of this item if it is satisfied that the public interest in being present is outweighed by the public interest in maintaining the exemption.

It is recommended that because disclosure of Item 10 - Advertising Shelters - **might prejudice future negotiations**, the public interest would be better served by maintaining the exemption and, therefore, the press and public should be excluded from the meeting.

Compilation of Agenda by:	Angie Shearon
Telephone No:	Leeds (0113) 251 7220
Date:	1 October 2015

ITEM 4

MINUTES OF THE MEETING OF THE TRANSPORT COMMITTEE HELD ON FRIDAY 31 JULY 2015 IN WELLINGTON HOUSE, LEEDS

Present: Councillor K Wakefield (Chair)

Councillors N Buckley, E Firth, A Hussain, M Johnson, D Kirton, G Lloyd, M Lyons, A Pinnock, R Poulsen, T Salam, L Smaje, A Stubley, D Sutherland, C Towler and M Ward

In attendance: Councillors B Collins (Calderdale), P McBride (Kirklees), R Lewis (Leeds), D Dagger (Wakefield) and I Gillies (York)

1. **Apologies for Absence**

Apologies for absence were received from Councillors V Slater and T Swift.

2. **Declarations of Disclosable Pecuniary Interests**

There were no pecuniary interests declared by Members at the meeting.

3. **Minutes of the meeting of the Transport Committee held on 12 June 2015**

Resolved - That the minutes of the Transport Committee held on 12 June 2015 be approved and signed by the Chair.

4. **Appointment of District Consultation Sub Committee Chairs**

Resolved - That the following members be appointed as District Consultation Sub Committee Chairs for 2015/16:

- | | | | |
|------------|------------|---|----------------------------|
| (a) | Bradford | - | Councillor Michael Johnson |
| (b) | Calderdale | - | Councillor Dan Sutherland |
| (c) | Kirklees | - | Councillor Amanda Stubley |
| (d) | Leeds | - | Councillor Mick Lyons |
| (e) | Wakefield | - | Councillor Glyn Lloyd |

5. Transport Update

The Committee considered a report giving an update on strategic transport issues including:

- (i) July 2015 Budget
- (ii) Transport for the North (TfN) – a list of the TfN priorities were attached at Appendix A to the submitted report.
- (iii) Rail North
- (iv) Network Rail Issues
- (v) West Yorkshire Plus Transport Fund: Procurement and Delivery
- (vi) Ultra-Low Emission Vehicle Bid

Transpennine Electrification

Members expressed their concern on the Government's recent decision to delay the electrification of the Transpennine rail line.

They stressed that the 'pause' had badly damaged the concept of the Northern Powerhouse and urged Ministers to reinstate electrification as a matter of urgency. Members suggested that a report be prepared for the next meeting with regard to Peter Hendy and Nicola Shaw's Review of Network Rail and the emerging Transport for the North (TfN) work programme.

National Transport Awards

Members noted the following schemes which had been shortlisted for the National Transport Awards:

- Tour de France travel campaign
- Development and promotion of the Payzone retail network for MCard.

The Committee requested that their congratulations be passed to those members of staff who were involved in the delivery of the projects.

Resolved - That the report be noted.

6. Local Transport Plan Approvals

The Committee considered a report which sought approval for Quarter 2, 2015/16 payments for the following programmes:

- Local Transport Plan (LTP) Integrated Transport and Highway Maintenance Blocks
- Cycle City Ambition Grant (CCAG1) for City Connect programme
- Cycle City Ambition Grant 2 (CCAG2)

- West Yorkshire ‘plus’ Transport Fund

Approval was also sought for the following Implementation Plan 2 (IP2) schemes:

- New Rail Station Feasibility Study
- Rail Station Development Work
- Transport for the North (TfN) Core Work

Integrated Transport Block and Highways Maintenance Block Quarter 2, 2015/16 Allocations

It was noted that the proposed Integrated Transport Block and Highways Maintenance Block (Quarter 2) allocations for 2015/16 were outlined in Table 1 of the submitted report.

Cycle City Ambition Grant (CCAG1 and CCAG2)

It was noted that the funding allocated to partners in accordance with the forecast spend at the start of each quarter was detailed in Appendix 3 of the submitted report.

In this regard it was mentioned that the Transport Committee at its meeting held in March 2015 had approved interim payments to each district council partner to fund development work. Members noted that the funding remained sufficient to cover activities during that quarter and therefore no further quarterly payments for Quarter 2 were proposed.

West Yorkshire ‘plus’ Transport Fund

It was reported that Appendix 4 to the submitted report set out payments for each of the district partners. Members were advised that to date £13.572m had been paid out of the WYCA’s reserves, with a ring fenced element of the levy for the development of the Transport Fund and “early win schemes”. It was noted that the following 6 schemes had now been approved to progress from Gateway 1 to 2:

- (i) York Outer Ring Road
- (ii) East Leeds Orbital Road
- (iii) Hard Ings Road (Keighley)
- (iv) Aire Valley Park and Ride (Leeds)
- (v) Harrogate Road/New Line, Bradford
- (vi) A629 Phase 1 (Calderdale)

In addition, the Wakefield Eastern Relief Road had passed through Gateway 3 and works were now progressing on site.

Local Transport Plan – Implementation Plan 2 Approvals

New Rail Station Feasibility Study

It was reported that approval was now being sought to fund further development work on the proposed new rail stations at Crosshills, Haxby and Elland. The City of York Council and North Yorkshire County had indicated that they were very supportive of a joint delivery approach and that confirmation of their contributions would be obtained through their internal processes.

Rail Station Development Work

It was reported that it was proposed to undertake further works to develop station masterplans and station improvements schemes to attract further funding/investment. Funding to the value of £30m had already been identified in the next Northern franchise to improve stations. That work would ensure that appropriate station schemes were identified and developed to attract and lever that funding.

Transport for the North (TfN)

It was reported that following publication of 'The Northern Powerhouse: One Agenda, One Economy, One North' in March 2015, the governance and detailed programme of works had been developed with the emphasis on developing a detailed strategy for early 2016. The Committee was advised that whilst the Department for Transport was making a substantial funding contribution to the TfN work, there was still a requirement for a local cash contribution. The WYCA's proposed contribution was £100,000 which would enable the WYCA to influence and shape the TfN proposals.

Resolved -

- (a)** That the quarterly payments set out in Table 1 of the submitted report be approved.
- (b)** That the expenditure of £145,000 on the New Rail Station Feasibility Study with £55,000 funded from the Local Transport Plan and £90,000 to be funded from contributions from City of York Council and North Yorkshire County Council towards the new rail station study be approved.
- (c)** That expenditure of £50,000 on Rail Station Development, to be funded from the Local Transport Plan, be approved.
- (d)** That expenditure of up to £100,000 to be funded through the Local Transport Plan for the Transport for the North work be approved.

7. **Single Transport Plan – Phase 1 Consultation Report**

The Committee considered a report giving an update on:

- The development of the West Yorkshire Single Transport Plan including Bus Strategy and Connectivity Strategy.
- To see delegated approval to consultation on the West Yorkshire Low Emission Strategy.

Bus Strategy

It was reported that work had commenced to update the West Yorkshire Bus Strategy and would be progressed through consultation with the public and key stakeholders. In this respect it was proposed that the updated Bus Strategy would form part of the Single Transport Plan specifically focussing on the WYCA's strategic aims, outcomes and ambition for the bus system across West Yorkshire.

Connectivity Strategy

It was reported that the Single Transport Plan's One System core principle was the ambition for a 'metro-style' public transport that would better integrate all transport modes into one system that was easily understood, easy to access and offered quick, convenient, integrated connections and to maximise/complement the benefits of High Speed Rail across the City Region. Comment was also made that the connectivity work would also address improved connections to Leeds Bradford Airport and to the economic/housing growth areas.

The Committee was advised that it was proposed to commence detailed work to identify routes, network gaps and options with quantified costs and benefits. The technical work required to take the concepts to a more detailed proposition was estimated to cost £220,000 and that would be funded through the Local Transport Plan Development Fund.

West Yorkshire Low Emissions Strategy (WYLES)

It was reported that at the last meeting of the Transport Committee members had agreed to develop a robust approach to air quality within the Single Transport Plan that built on evidence and recommendations of the draft West Yorkshire Low Emissions Strategy (WYLES). Work had already been undertaken by the West Yorkshire authorities, through the collection of transport, public health and environmental health inputs, to develop a strategy for West Yorkshire.

The draft WYLES was currently being developed for consultation and was expected to be finalised in August 2015 with a view to commencing a consultation exercise with the public stakeholders in September 2015.

Members were informed that as the next meeting was not until October, it was proposed that approval to consult be delegated to the WYCA Acting Director Transport in consultation with the Chair of the Transport Committee.

Resolved -

- (a) That the development of the Single Transport Plan be noted.
- (b) That the expenditure of £220,000 to undertake development work on the proposed 'metro style' connecting network be approved.
- (c) That the WYCA Acting Director Transport, in consultation with the Chair of the Transport Committee, be given delegated approval to consult on the West Yorkshire Low Emissions Strategy.
- (d) That the City Scheme ULEV bid be circulated to all members of the Committee prior to the submission deadline.

8. Boxing Day Services 2014/15

The Committee considered a report on the outcome of Boxing Day services in 2014 and the development of the 2015 service.

It was reported that the WYCA had previously supported a network of daytime services on 26 December that primarily focussed on Leeds and Huddersfield where retailers had actively promoted Boxing Day shopping.

Comment was made that over 58,000 passenger journeys were made in 2014, a 5.6% increase on the previous year. An online survey had resulted in very positive feedback from customers.

Members were advised that it was proposed to expand the network for Boxing Day 2015 to include Bradford city centre as the Westfield Shopping Centre was due to open later in the year and to provide additional services to the Calderdale area.

Resolved - That approval be given for an expanded network of Boxing Day services in 2015 to be procured on a competitive tender basis as outlined in paragraph 2.5 of the submitted report.

9. Disposal of Surplus Operational Property

The Committee considered a report on the disposal of the following parcels of freehold land/building which were surplus to operational requirements:

- Land and buildings – Crow Nest Lane, Leeds, which no longer served any operational use.
- Area of paving adjacent to Huddersfield Bus Station via dedication as public highway to form a pedestrian crossing.
- Strip of land at the site of the Apperley Bridge new rail station car park development.
- Transfer of land at Low Moor to Network Rail prior to the commencement of construction of the new rail station.

Resolved –

- (a) That approval be given to the disposal of the following land/buildings as detailed in paragraph 2 of the submitted report:
- (i) Crow Nest Lane, Leeds 11
 - (ii) Land adjacent to Huddersfield Bus Station
 - (iii) Land at Apperley Bridge, Bradford
 - (iv) Land at Low Moor, Bradford
- (b) That all legal agreements and transfers required to effect those disposals be entered into, subject to the terms being satisfactory to the Secretary and Solicitor.

10. Developing the Medium Term Financial Strategy

The Committee considered a report on work required to develop the Medium Term Financial Strategy.

It was reported that a detailed work programme was being overseen by the Finance Working Group which included the Chair of the Transport Committee to realise efficiencies and reduce costs. It was proposed that a workshop be held in the Autumn to enable a fuller consideration of the financial issues facing the Authority with regard to transport and enable members to explore the options that exist to reduce expenditure and any impact it would have on services.

Resolved –

- (a) That the ongoing work being undertaken to update the medium term financial strategy be noted.
- (b) That a workshop be arranged in the Autumn.

11. Collaboration with Universities – Transport Research Programme

The Committee considered a report of the proposed collaboration with the Leeds University (Institute of Transport Studies) as part of the wider programme of working with academic institutions.

It was reported that the West Yorkshire Combined Authority had endorsed the value of closer working with academic institutions across West Yorkshire and therefore it was proposed to formalise the arrangement through a framework agreement for funded collaborative research initially for a 3 year period. The programme would be jointly managed and directed by the WYCA and Institute of Transport Studies (ITS) with the emphasis on ensuring that the activities were relevant to the Strategic Economic Plan and Single Transport Plan.

Resolved –

- (a)** That approval be given in principle to the proposed agreement with the Institute of Transport Studies (Leeds University) regarding funded collaborative research.
- (b)** That funding of the proposed contribution be delegated to the Acting Director Transport in conjunction with the Director Resources.
- (c)** That opportunities for collaboration with other academic institutions in the city region be explored.

Originator: John Henkel
Acting Director Transport



ITEM 5

Report to: Transport Committee

Date: 9 October 2015

Subject: Next Stop Information on Buses

1. Purpose

- 1.1. To assist the Transport Committee in receiving representation on behalf of a local campaign group.

2. Information

- 2.1. It has been agreed that a deputation from a local campaign group regarding on bus real-time information be received.
- 2.2. The current 'yournextbus' real-time information system was introduced 10 years ago using then 'state of the art' technology.
- 2.3. The generation of bus real-time information requires an on-bus tracking device which takes route information from the ticket machine, uses GPS technology to track location and communicates to a central system via a Private Mobile Radio network.
- 2.4. The on-bus tracking equipment (known as a Deltatrack150) was purchased by the former PTA/PTE and loaned to operators, who paid the ongoing maintenance charges. The equipment has reached its life expectancy and ownership, and de-commissioning and disposal responsibilities, has been transferred to bus companies.
- 2.5. The Deltatrack150 equipment has proved robust and reliable, but does not support the provision of on-bus next stop displays or audio announcements.
- 2.6. This provision is seen as desirable by many customers, including groups representing people with impaired sight or hearing.
- 2.7. The Transport Committee has approved work to re-procure the real-time system, with the responsibility for vehicle tracking being passed to the operator as many ticket machines now incorporate this functionality. The provision of on bus

information is seen as bus operator responsibility, with the provision of at stop displays, web based and SMS services being WYCA responsibility. Approval to expenditure to implement an updated system is sought through a separate report.

3. Financial Implications

3.1. None as a result of this report.

4. Legal Implications

4.1. None as a result of this report.

5. Staffing Implications

5.1. None as a result of this report.

6. Consultees

6.1. The Equalities Officer has contributed to this report.

7. Recommendations

7.1. That the representation be received, and information received considered as part of the review of Bus Strategy and Bus Information Strategy.

8. Background Documents

8.1. None.

Originator: David Hoggarth
Director Development



ITEM 6

Report to: Transport Committee

Date: 9 October 2015

Subject: Transport Issues

1. Purpose

- 1.1. To provide the Transport Committee with an update on transport issues including the Buses Bill, devolution, development of the Single Transport Plan, TransPennine Electrification and the review of Network Rail, as well as Transport for the North and Rail North.

2. Information

Buses Bill

- 2.1. The Department for Transport (DfT) are undertaking consultations through workshops other liaison, in advance of preparing a Buses Bill that is intended to provide franchising powers for elected mayors as well as addressing other perceived deficiencies with current legislation.
- 2.2. DfT have published a background document (attached as **Appendix 1**) for discussion as part of this consultation process.
- 2.3. A common position is being developed between city regions (being the former ITA/PTES) and a draft is attached as **Appendix 2**.

Devolution

- 2.4. A Leeds City Region-based devolution bid covering the West Yorkshire districts of Bradford, Calderdale, Kirklees, Leeds and Wakefield plus the North Yorkshire districts of Craven, Harrogate, Selby and the City of York was submitted to government on Friday 4 September.

- 2.5. The devolution discussions focus on transport, housing, business support, public service reform skills and new fiscal powers to generate investment for major infrastructure projects designed transform the City Region's economy.
- 2.6. The transport components are shown below, with further information available at <http://www.westyorks-ca.gov.uk/News/Articles/Devo-Bid-sent-to-Treasury/>
- Responsibility for a devolved and consolidated transport budget, with a multi-year settlement to be agreed at Spending Reviews;
 - Responsibility for franchised bus services (subject to the Buses Bill) with simple, integrated smart ticketing across all local modes of transport;
 - Devolved ownership of local rail stations, with associated budgets;
 - Devolved powers, responsibility and maintenance budgets for a locally defined strategic highways network (including the M621 and M606), including new traffic management powers such as moving traffic enforcement; and
 - A Memorandum of Understanding with Highways England with regards to traffic management and emergency management on the M62.

Single Transport Plan (STP)

- 2.7. Work is progressing on the STP, with a number of follow up workshops with stakeholders over the summer to conclude the Phase 1 public and stakeholder consultation. These workshops explored issues through the online survey and also involved a range of equality representative groups.
- 2.8. The Connectivity Strategy and Bus Strategy work-streams approved by Transport Committee at its July meeting are also underway. A workshop with the Transport Committee and Transport Portfolio holders was held on 25 September and included discussions of the Connectivity and Bus workstreams and their input to developing the 'One System' metro-style network.
- 2.9. The workshop also considered the interface between the STP and the Strategic Economic Plan. The LEP has agreed to undertake a refresh of the Strategic Economic Plan. This work commenced in September and will continue to spring/summer 2016. The STP is intended to support delivery of the SEP and economic objectives, and it is therefore proposed to adjust the project plan for development of the STP to align with the SEP refresh and key inputs such as the Connectivity Strategy and Bus Strategy.
- 2.10. The revised programme for developing the Single Transport Plan is set out below:
- Sept – Jan 2015: Produce Draft STP
 - Feb – March 2016: Approvals to consult
 - April – June 2016: 12 weeks public and stakeholder consultation
 - Sumer 2016: Review, finalise, approve plan

TransPennine Electrification

- 2.11. The Secretary of State for Transport announced on 30 September 2015 the resumption of works on the TransPennine and Midland Mainline Railways electrification programme.
- 2.12. The temporary pause has allowed Network Rail to develop schemes that will deliver more services and faster journey times for passengers across the TransPennine and Midland routes. The previous plan only changed the power supply of trains. Sir Peter Hendy's new plan will deliver faster journey times and significantly more capacity between Manchester, Leeds and York. The upgrade is expected to provide six fast trains per hour, take up to 15 minutes off today's journey time between Manchester and York and could be complete by 2022. When the work is finished, the whole route from Liverpool to Newcastle (via Manchester, Leeds and York) will be fully electrified and journey times will be significantly reduced compared to today's railway.
- 2.13. There are a number of other enhancement schemes within the Northern Programme (Yorkshire) that are linked to the electrification scheme. These are:
- Huddersfield station capacity enhancement
 - Leeds station capacity
 - East of Leeds capacity
 - Calder Valley capacity and journey time (a diversionary route during the Trans Pennine electrification works).
- 2.14. The exact, detailed scope of what will be delivered as part of the resumed Trans Pennine electrification programme is yet to be made clear. A diagram published by the Department for Transport showing the scope of improvements is provided as **Appendix 3**.

Network Rail Reviews

- 2.15. There are three reviews of Network Rail taking place. As mentioned above, the review by Sir Peter Hendy is making recommendations on re-planning the CP5 enhancements programme. The Terms of reference for this review have now been published by the DfT and are included as **Appendix 4**.
- 2.16. The Shaw Review is developing recommendations for the longer-term future shape and financing of Network Rail and it will divide into a scoping study and a detailed report with implementation proposals, the former to be completed in autumn 2015, and the latter by the time of the budget in spring 2016.

- 2.17. The Bowe Review (to be completed in autumn 2015) is to inform government policy and processes used to develop, agree and plan the delivery of the enhancements programme for future Network Rail Control Periods. The review will identify the lessons to be learned from the process undertaken for Control Period 5, looking at processes within the Department for Transport (DfT), Network Rail and the Office of Rail Regulation (ORR). It will have regard to the parallel processes in respect of renewals, and to Network Rail's role in leading wider industry engagement.
- 2.18. Passenger Transport Executive Group (pteg), which acts on behalf of the major city region transport authorities, has fed into ongoing reviews of Network Rail. The main point pteg made is that in terms of planning and prioritising, and operations, Network Rail (including in whatever form it may take in the future) needs to map on to both the geography of the major devolved entities with strategic responsibilities for rail (such as Scotland, Wales, Transport for the North, Midlands Connect) but also to relate to the respective governance arrangements. In this way, there can be better operational and strategic cohesion on both ensuring the current railway is run efficiently and in the way infrastructure priorities are determined and delivered in line with the wider transport and growth plans of the devolved bodies. The pteg statement regarding the structure of the rail industry is attached as **Appendix 5**.

Transport for the North

- 2.19. At the July meeting of the Transport Committee, information was provided on the work taking place through the Transport for the North (TfN) partnership. TfN activities includes work on developing smart ticketing for the north, a new TransNorth rail network (HS3), motorway upgrades, and a freight strategy. At the last meeting of the Partnership Board (where WYCA is represented by Cllr Wakefield and Roger Marsh), members requested that an international connectivity workstream was added which has now commenced.
- 2.20. In addition to the smart ticketing workstream, WYCA is also leading a 'city connectivity' workstream which is defining connectivity needs to and from the centres that are not core cities (including Bradford, Wakefield, Huddersfield, Halifax and York). The aim to to ensure that work taking place (particularly in the road and rail workstreams) ensures that these centres also benefit from the transformational benefits planned for the core network.
- 2.21. Significant work has been undertaken on the TransNorth rail network with both Network Rail and HS2. The initial work is particularly focuses on whether and how the planned HS2 network can link into a new east-west network. In the case of Leeds, this work builds on the joint work being undertaken with HS2 and Network Rail looking at alternative station locations for HS2 to deliver a more integrated station and ensure that the benefits are felt across the city region. Sir David Higgins is expected to produce his report on the Leeds Station location in the autumn.

Rail North

- 2.22. The bids for the new Northern and TransPennine franchises are being evaluated and the work is on course for the planned announcement of the winning bidders in December 2015. Rail North (including WYCA) staff have been part of the technical evaluation process for the bids. The procurement process is being run by the Department for Transport, with the decision on contract award being made by the Secretary of State for Transport.
- 2.23. Work is underway to establish Rail North and the partnership team that will jointly manage the two franchises from WYCA's offices. Following a competitive procurement process WYCA's Director Development has been appointed to the position of Rail North Director. He will be based in Wellington House with the Rail North team working to the Rail North Ltd Board representing all 29 member authorities.
- 2.24. Following the announcement of the winning bidders there will be a mobilisation period in the run up to the start of the franchises in April 2016. The teams will have office space in Wellington House from November 2015.
- 2.25. The Rail North Board met on 15 September and considered a draft Members Agreement setting out how Rail North will interact with each of its constituent members. Subject to agreement by the Rail North Association of Partner Authorities, each member will be asked to sign up to the members' agreement. WYCA has previously approved entering into the necessary agreements for Rail North.
- 2.26. The key principles of the Members' Agreement include:
- The Rail North Business Plan is the main vehicle by which Rail North will manage its resources and plans. Member Authorities will have an opportunity to comment on a draft Business Plan before it is considered by the Rail North Ltd Board.
 - Member Authorities will have an opportunity to comment on a draft Rail North policy and strategy documents before they are considered by the Rail North Ltd Board
 - Member Authorities will have access to franchise performance information within the boundaries of commercial confidentiality
 - Member Authorities will be consulted on franchise changes which have a direct impact on customers
 - Rail North input into national policy and programmes will be overseen by the Rail North Officer Steering Group
 - Involvement in Rail North will not prevent Member Authorities from making representations on their own behalf

3. Financial Implications

3.1. None as a result of this report.

4. Legal Implications

4.1. None as a result of this report.

5. Staffing Implications

5.1. None as a result of this report.

6. Consultees

6.1. The Acting Director, Transport was consulted in the preparation of this report.

7. Recommendations

7.1. That the inputs to the Buses Bill and the reviews of Network Rail set out in this report are endorsed.

7.2. That the updates provided in this report are noted.

8. Background Documents

8.1. None.



Department
for Transport

Appendix 1

Bus Reform Workshops Background Document

Moving Britain Ahead

The Department for Transport has actively considered the needs of blind and partially sighted people in accessing this document. The text will be made available in full on the Department's website. The text may be freely downloaded and translated by individuals or organisations for conversion into other accessible formats. If you have other needs in this regard please contact the Department.

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OGL

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1. Introduction and purpose

Introduction

- 1.1 Delivering better bus services for local people is one of the key aims of Government and local authorities when thinking about devolution. Many local areas have identified the importance of buses to local people, to the economic development of the area, and as an integral part of the local public transport system.
- 1.2 Following the devolution deals signed with Greater Manchester and Cornwall in which we committed to providing the powers necessary to franchise their bus services, we intend to introduce a 'Buses Bill' in the current parliamentary session.
- 1.3 The main aims of the Bill are to:
 - enable local authorities in England, outside London, to franchise their bus networks where they have agreement from Government;
 - preserve the commercial and innovative strengths of private sector operators; and
 - ensure there is a good package of measures to improve local bus services in areas that may not wish or feel able to move to franchising.

Purpose of document and workshops

- 1.4 We have arranged a series of Bus Reform Workshops in five locations across the country during September and October 2015. These will help us shape the content of the Bill and ensure that the policy is developed by those involved in the delivery of bus services, including local authorities, the bus industry and passenger representatives.
- 1.5 This document provides background information ahead of those events. It sets out some initial ideas and issues on the way franchising could work in practice, associated improvements that could be made to the existing legislative framework and an update on a number of wider bus policies. It does not seek to set out specific consultation proposals or seek to limit discussion of other options not covered in the document. This document should therefore not be taken as Government policy.
- 1.6 Neither this document, nor the Bus Reform Workshops, focus on local or national Government funding for bus services and/or infrastructure. This is deliberate, as the policy content of the Buses Bill will need to be capable of standing the test of time and working effectively in a variety of potential fiscal climates - rather than driven by the fiscal context in which it is written. The 2015 Spending Review is currently in progress and decisions on national bus funding will be announced later this year.
- 1.7 The Department issued invitations to the workshops in early September using representative bodies to cascade invitations to individuals and companies. If you are

interested in attending a workshop but have not received an invitation please email BusWorkshops2015@dft.gsi.gov.uk

- 1.8 Places are limited and, although we will do our best to allow everyone an opportunity to attend, to ensure fair representation we may reserve some places for key stakeholders.

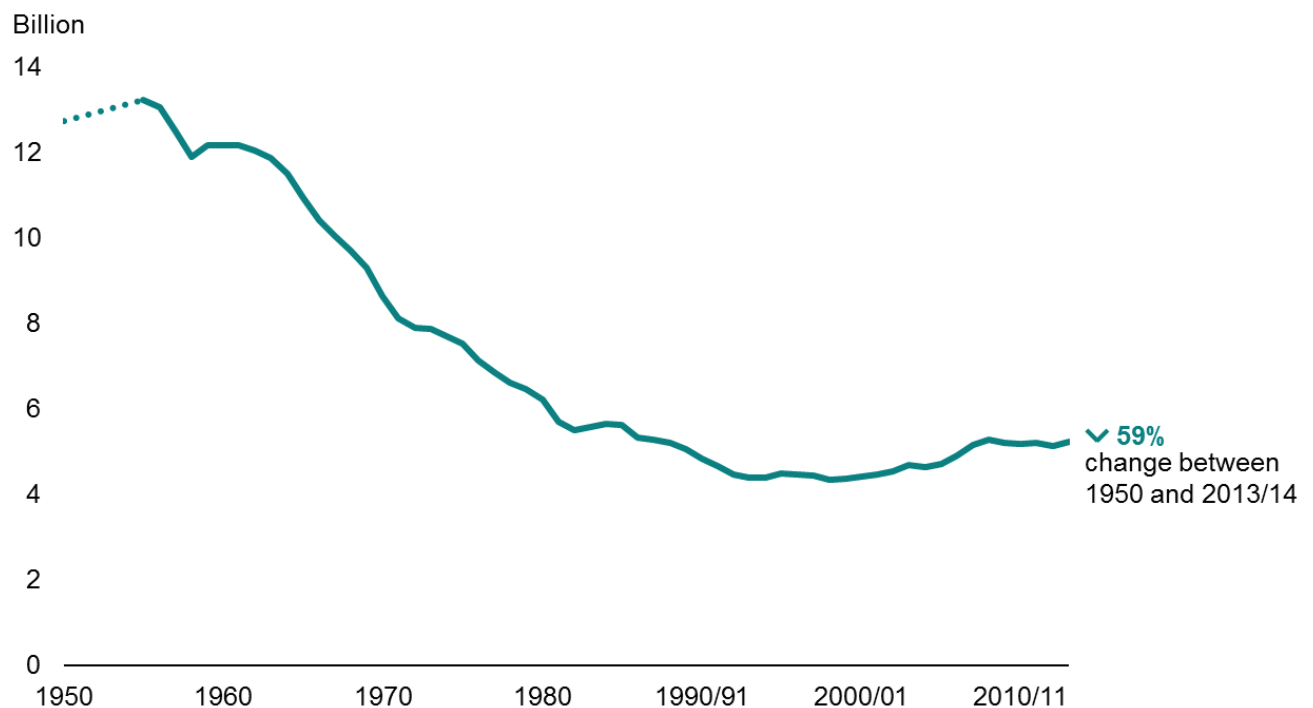
2. Trend in bus use

- 2.1 Buses are England's most used form of public transport accounting for over 60%¹ of all public transport trips, and with over 4.7 billion passenger journeys completed in 2014/15².
- 2.2 Buses support our economy and connect our communities to the workplace, as well as to vital public services such as health and education. Buses help to reduce congestion in our urban areas, with cleaner bus technologies also contributing significantly to improving air quality.

Passenger journeys

- 2.3 The number of passenger journeys on local bus services has drastically declined since its peak in the post-war years, with a 59% reduction in the number of journeys completed between 1950 and 2013/14.

Figure 1 Passenger journeys on local bus services in Great Britain³



- 2.4 The total distance travelled by bus has also gradually declined from the post-war years to the present day, as car ownership levels have continually grown. In 1951

¹ DfT statistics, Table NTS0303, England

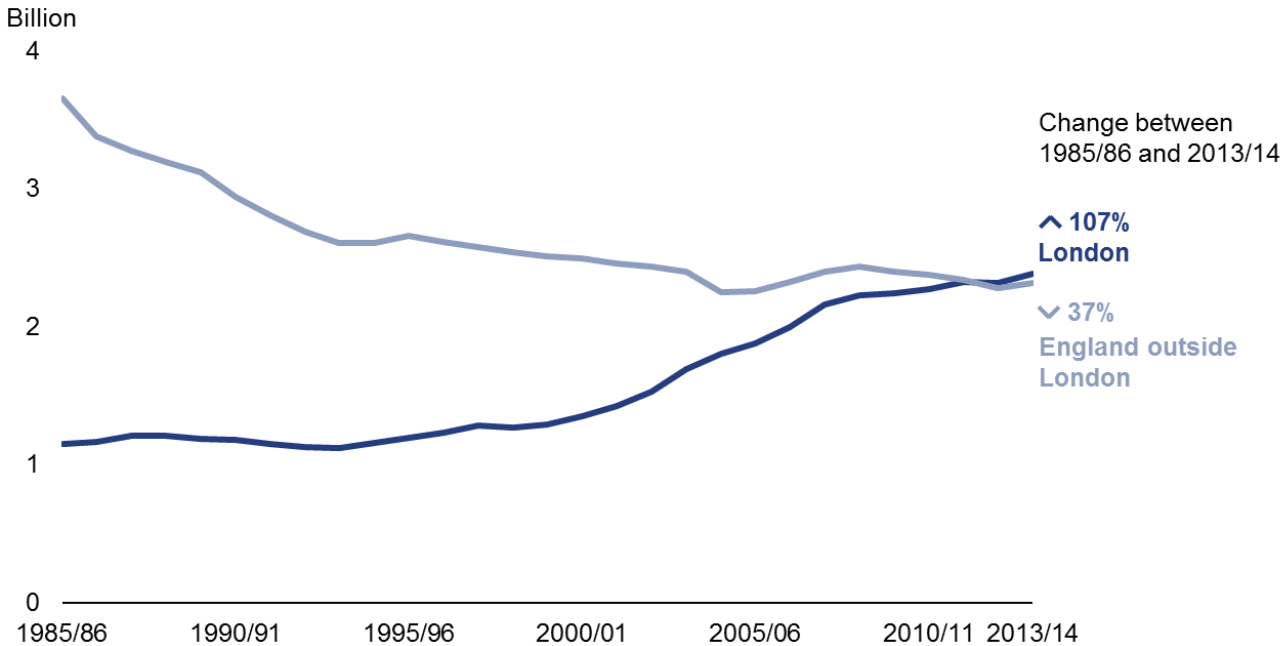
² DfT statistics, Table BUS0103

³ Taken from DfT statistics, Table BUS0101

86% of people did not have access to a car, but this has fallen to 24% in 2014⁴. Over the same time period, the total distance travelled by other transport modes has grown, particularly rail which has seen sharp growth since the mid-1990s.

- 2.5 Since deregulation in 1985/86, local bus passenger journeys in England have decreased by 2%, but this relatively small decline hides the two different stories of bus use in London and England outside of London.
- 2.6 In London, bus use has more than doubled since 1985/86 and in 2013/14 accounted for 51% of bus journeys in England. In 1985/86, the equivalent figure was 24%. In England outside of London, both non-metropolitan and metropolitan areas have seen declines in bus use. In metropolitan areas bus use has declined by 51% and in non-metropolitan areas by 18% since 1985/86.

Figure 2 Passenger journeys on local bus services by area type



- 2.7 Trends in bus use vary greatly across the country, with growth in ridership being seen in places like Oxfordshire and Brighton and Hove, but with overall patronage falling outside London, particularly in our biggest conurbations.
- 2.8 Since 2010, the number of subsidised services tendered by local authorities has also decreased. Supported mileage is estimated to be nearly 60 million miles lower than in 2009/10⁵ (the peak year for supported mileage for which we hold data), but passenger journeys on supported services have not decreased to the same extent, suggesting a consolidation or reorganisation of services, or potentially some services being taken up commercially.

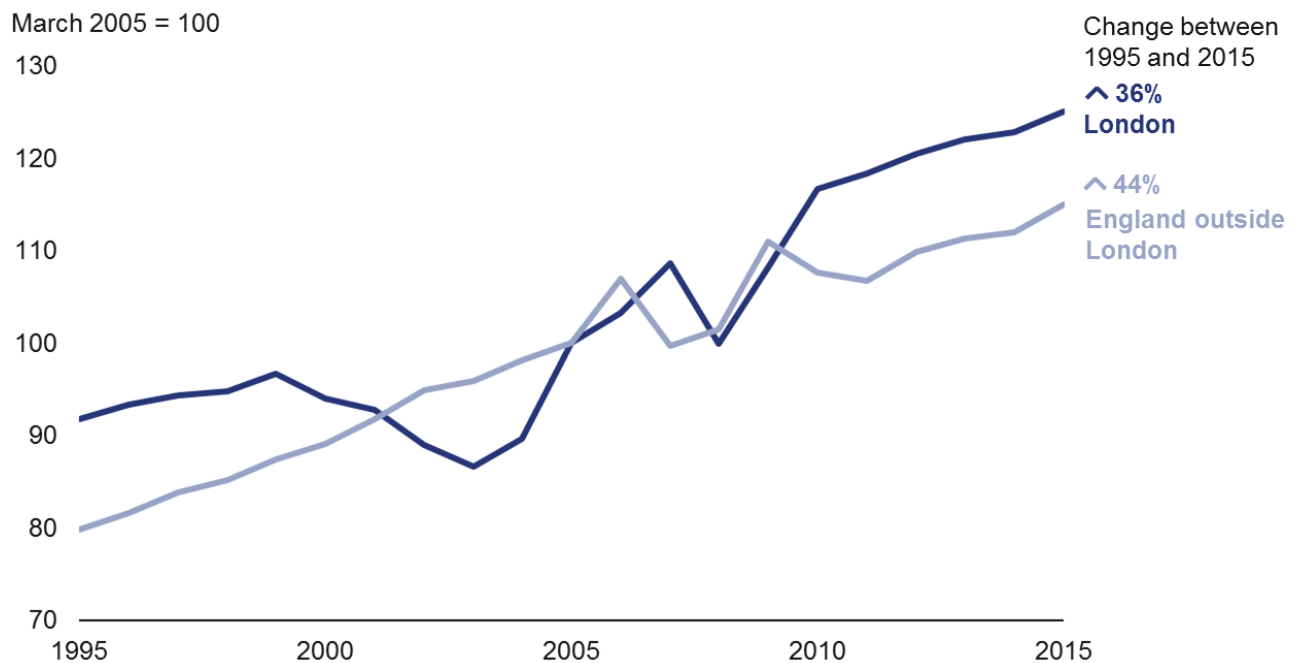
Fares

- 2.9 Across all areas of England, local bus fares have increased in real terms since March 1995. Metropolitan areas have seen the largest real-terms increase with local bus

⁴ DfT statistics, Table NTS0205
⁵ DfT statistics, Table BUS0205

fares increasing by 59%. In London, fares have increased by 36%, while non-metropolitan areas have seen the smallest increase of 33%⁶.

Figure 3 Local bus fares index (real terms, adjusted using March RPI)



2.10 Local bus fares and rail fares have risen faster than RPI in recent years. Since 1995, fares in England outside London have risen by 151% compared with an RPI increase of 74%, meaning that bus fares have risen in real terms.

Passenger satisfaction

- 2.11 Transport Focus' Annual [Bus Passenger Satisfaction Survey](#), based on research carried out in Autumn 2014, gives headline satisfaction figures of between 83% and 93% for local bus services in England. The survey reported that passengers tended to be more satisfied with their on-bus journey time than they were with the punctuality and value for money of their services, though satisfaction was found to be generally high across the piece.
- 2.12 In 2010 Transport Focus (then Passenger Focus) undertook a wide ranging [survey](#) that identified bus passenger priorities for improvement. The most important factor for passengers was found to be punctuality, with passengers highlighting their wish to see more of their buses arriving on time.
- 2.13 Other priorities for improvement were found to be the frequency and geographical scope of services, and the availability and value for money of cross-operator ticketing and other fares and ticketing offers.

⁶ Taken from DfT statistics, Table BUS0405

Conclusions

- 2.14 Outside London bus use is falling on average. There are notable exceptions to this where passenger numbers are increasing, reflecting the fact that bus provision is a distinctly local issue.
- 2.15 Those passengers who do use local bus services are generally highly satisfied with the service they receive, but note areas that could be improved, including punctuality, the scope and frequency of services, and the availability and value for money of cross-operator ticketing. Less is known about people who could utilise local bus services but currently choose not to do so.
- 2.16 Despite pockets of success, action is required to ensure that local services can continue to be operated sustainably and that passenger demands for punctual, high quality and value for money services are met, and ridership increases.

3. Current regulatory framework

- 3.1 The Transport Act 1985 deregulated the bus market outside London. Under the current system, a bus operator can register any service that it chooses to operate on a commercial basis, but all 'local' bus services – defined as those with stopping places less than 15 miles apart – must have their route and timetable registered with the Traffic Commissioner.
- 3.2 Local authorities also have a duty to invite tenders for additional routes or services if they consider that the social needs of the local community are not met by the commercial services.

Quality Partnership Schemes and ticketing powers

- 3.3 Under Part II of the Transport Act 2000 ('the 2000 Act') - as amended by the 2008 Local Transport Act ('the 2008 Act') - a local transport authority, or two or more such authorities acting jointly, can introduce a Quality Partnership Scheme (QPS). Under a QPS the local transport authority agrees to provide particular facilities in the whole or part of their area or combined area (for example, investing in improved facilities at specific locations along bus routes such as bus stops and bus lanes) and operators wishing to use those facilities undertake to provide services of a particular standard (e.g. new buses, or driver training standards).
- 3.4 A QPS can be route or corridor-specific, or can cover larger networks of routes. Only those operators prepared to provide services to the standards specified in the scheme are permitted to use the facilities. Whilst other operators are not prevented from providing local services in the area covered by the scheme, they cannot use the facilities provided by the local authority under the QPS.
- 3.5 The 2008 Act expanded the terms of the QPS model to allow a local authority to specify requirements as to frequencies, timings or maximum fares as part of the standard of service to be provided under a scheme, in addition to quality standards.
- 3.6 Before making a QPS, the local authority must be satisfied that it will contribute to the implementation of their local transport policies, and that the competition test in Part 1 of Schedule 10 to the 2000 Act is met.

Ticketing

- 3.7 Under sections 135-138 of the 2000 Act, a local authority, or two or more local authorities acting together, may also introduce a ticketing scheme, which requires operators to implement arrangements under which passengers may purchase, in a single transaction, certain types of tickets which cover more than one journey or service.

- 3.8 Fares setting is still a matter for the individual operators to agree between themselves and that can give rise to anti-competitive behaviours as described in the Competition and Market Authority's (CMA) [consultation on renewal of its Public Transport Ticketing Scheme Block Exemption](#).
- 3.9 The current Public Transport Ticketing Scheme Block Exemption exempts limited co-operation between operators to provide multi-operator travel and through ticketing. The CMA has indicated that it will recommend an extension of the Block Exemption until 2026 but is not minded to add any further types of co-operation to its scope.
- 3.10 Take up of multi-operator ticketing under the 2000 Act, however, has been low partly because of the perceived threat of intervention by the CMA. Operators are deterred from taking part by the risk of very large fines based on group turnover and the legal risk and cost is a deterrent to local authorities developing such schemes.
- 3.11 Where multi-operator ticketing has been established usage has also been low because the products do not meet passenger needs and expectations. Such products cannot offer the flexibility of a pay-as-you-go product – passengers have to choose between multi and single-operator products in advance and either choice may not provide best value for money. Multi-operator products also usually include a price premia over the equivalent single-operator products, which acts as a further disincentive to usage.
- 3.12 The current regulatory framework does not provide effective provisions on the collection of fares data. It creates a barrier to the development of third party retailing and prevents passengers making informed pricing decisions. In some areas there can also be an extensive range of competing ticketing products available leading to confusion for the passenger.
- 3.13 The bus industry is beginning to address some of these issues. For example, the five major public transport groups undertook earlier this year to deliver competitively priced, 100% smart multi-operator ticketing in the nine major city regions during 2015. The Department-sponsored Smart Cities Partnership has also agreed a concordat between most of the cities and the transport groups to support the delivery of smart ticketing aligned on a number of common multi-operator delivery principles. The Department welcomes these developments but we think that there is scope for further development of ticketing schemes to reflect passenger expectations and the opportunities that digital technology offers.

Quality Contract Schemes

- 3.14 Local authorities also have powers under the 2000 Act (as amended by 2008 Act) to make a Quality Contract Scheme (QCS) in a defined area replacing the deregulated bus market.
- 3.15 A QCS is a scheme under which a local transport authority, or two or more such authorities acting jointly, determine the local bus services that should be provided in the area to which the scheme relates. The local bus market in that area is therefore, in effect, regulated.
- 3.16 The QCS proposal put forward by the local transport authority is considered by a 'QCS Board', an independent panel whose role is to examine the authority's case for a QCS. The role of the Board is to form an opinion as to whether the relevant "public interest" criteria and the statutory notice and consultation requirements have been met.

3.17 A local transport authority or authorities must be satisfied that five “public interest” criteria set out in the legislation are met before making a QCS, and these criteria are set out below:

- the proposed scheme will result in an increase in the use of bus services in the area to which the proposed scheme relates;
- the proposed scheme will bring benefits to persons using local services in the area to which the proposed scheme relates, by improving the quality of those services;
- the proposed scheme will contribute to the implementation of the local transport policies of the local authority;
- the proposed scheme will contribute to the implementation of those policies in a way which is economic, efficient and effective; and
- any adverse effects of the proposed scheme on operators will be proportionate to the improvement in the well-being of persons living or working in the area to which the proposed scheme relates.

Constraints and challenges

3.18 The bus industry and local authorities have given us their thoughts on the QPS and QCS processes since they were last reviewed, and we have heard many suggestions as to how they could both be improved. What has come through clearly in discussion is the difficulty that exists in fully implementing the existing regulatory provisions and we understand that the powers available and range of models could be confusing.

3.19 There are comparatively few QPSs in existence, and a range of other types of agreements including voluntary partnerships and some with a shared financial reward/incentive element.

3.20 Where QPSs exist, they often do not fully utilise the scope of the existing regulatory provisions. We have heard anecdotally that this could be due to the fear of intervention from the Competition and Markets Authority, the difficulty in finding capital investment on which to base a QPS, and the lack of a practical way to enforce locally leading to a seemingly unenforceable agreement.

3.21 To date, no QCS have been established, with only one local transport authority actively pursuing such a scheme. The QCS legislation has proved difficult and unwieldy to implement in practice, with the process in the North East taking much longer, and requiring far more resource than was originally anticipated when the process was first drawn-up in legislation.

3.22 It is clear that there are a number of constraints and challenges to utilising the full range of the legislative provisions, and we want to use the opportunity the Buses Bill provides to clarify and improve the toolkit of options for local authorities.

4. Policy Issues and Options

- 4.1 **This section of the document sets out some issues and options around how franchising could work in practice, and some of the other changes that could be made to bus legislation and policy to help improve bus services for passengers. It identifies a number of particular issues which we intend to discuss in the workshops and which it would be helpful if attendees could consider in advance.**
- 4.2 We, and many others, want to see improved bus services for passengers across the country, regardless of the regulatory model. The bus industry have also told us that they want to continue to improve the services they offer, with the aim of growing the market and getting more people onto buses. Local areas want to be enabled to make the decisions they think are necessary to ensure this happens. Our aim is therefore to develop - with the industry, local authorities and passenger representatives - a balanced set of policies that give local areas the freedom to pursue the approach that will deliver the best outcomes for passengers.
- 4.3 In exercising these freedoms, particularly using any new legislative route to franchising, local areas will wish to ensure that they can account for their actions and that they are willing and able to take responsibility for their decisions.

Franchising proposals

General principles

- 4.4 There are several key principles which are likely to inform the approach to implementing franchising. These arise from the Government's policy on devolution and the views we have already heard from local authorities and the industry. They are that:
- the needs of the passenger should be at the heart of all decisions;
 - a new legislative route to franchising should be simpler than the current QCS process;
 - decisions to use franchising powers should be taken locally. A Mayor or local authority should be able to consider and potentially determine how bus services should be provided to achieve the best outcome for the local area and for local people;
 - those taking the decision to franchise should be responsible and accountable for ensuring that the franchising proposal is affordable and achievable, and that it will be financially sustainable in the longer-term; and
 - decisions are transparent with sufficient public scrutiny of any franchising plans so that operators, passenger representatives and other affected people are able to discuss and influence the proposals with the local authority.

Providing local places with access to franchising powers

- 4.5 Part of the local devolution process is a discussion between central and local Government about the strength and appropriateness of the governance arrangements a local area is proposing. There are arguments to be made for ensuring that authorities wishing to franchise their bus services have control over, and commit to using, the wider policy levers and local infrastructure that is needed to deliver a successful bus network, for example control of a key route network of local roads, or responsibility for parking policies.
- 4.6 There is, and will be, no set template for receiving bus franchising powers. Devolution deals are - by their nature - bespoke. However, if authorities are interested in this route, the Government will be looking for a serious commitment in their deal to implementing the necessary governance and powers to make franchising a success.
- 4.7 There are several ways in which the powers could be bestowed on local authorities, either by listing the categories of places that are seen as eligible to receive the powers on the face of the Bill (for example Combined Authorities with Mayors and Unitary Authorities), by bestowing the powers by order on an individual basis, or through a mixture of both. The way forward identified will need to balance the desire to provide certainty and clarity to the industry with the bespoke nature of the devolution deal process. It would then be for the authority or the Mayor to take the decision regarding whether to use those powers, and this is described in more detail in the section below.

Decision-making process for local areas to use franchising powers

- 4.8 Given the key principles set out above, we want to ensure that the new franchising process is open and transparent and that it is clear where the decision-making authority lies, whilst allowing authorities the freedom to pursue franchising where it is in the wider interests of passengers and local people.
- 4.9 HMT's guidance for public sector bodies (HMT [green book](#) and [5 case business model guidance](#)) sets out the principles by which government policies should be assessed to promote the public interest. One option is to use this as the framework around which local franchising decisions are taken.

The Five Case Business Case Model (HM Treasury, 2013)

Policies, strategies, programmes and projects will only achieve their spending objectives and deliver benefits if they have been scoped robustly and planned realistically from the outset and the associated risks taken into account.

The business case, both as a product and a process, provides decision makers, stakeholders and the public with a management tool for evidence based and transparent decision making and a framework for the delivery, management and performance monitoring of the resultant scheme.

The business case in support of a new policy, new strategy, new programme or new project must evidence :

- That the intervention is supported by a compelling case for change that provides holistic fit with other parts of the organisation and public sector – the “strategic case”;
- That the intervention represents best public value – the “economic case”;
- That the proposed Deal is attractive to the market place, can be procured and is commercially viable – the “commercial case”;
- That the proposed spend is affordable – the “financial case”;
- That what is required from all parties is achievable – “the management case”.

4.10 The guidance emphasises the need to take account of the wider social costs and benefits of proposals, and the need to ensure the proper use of public resources. This is achieved through:

- identifying other possible approaches which may achieve similar results;
- wherever feasible, attributing monetary values to all impacts of any proposed policy, project and programme; and
- performing an assessment of the costs and benefits for relevant options.

4.11 This type of public interest test is broader than the criteria specified in the 2000 Act in relation to the QCS process, but would ensure that any decisions taken regarding bus service provision are done so with the wider public interest in mind, and should ensure best practice when developing the case.

4.12 The usual expectation is that the authority or Mayor would need to consult on the case to allow for public scrutiny of the proposals. In line with other major transport investment decisions, the authority could produce a consultation document summarising the five case business case, but could also make the full five case business case publicly available on the authority’s website. Once the authority has publicly consulted they would need to weigh up the views given on the proposals and the authority or the Mayor would then decide whether to exercise the powers.

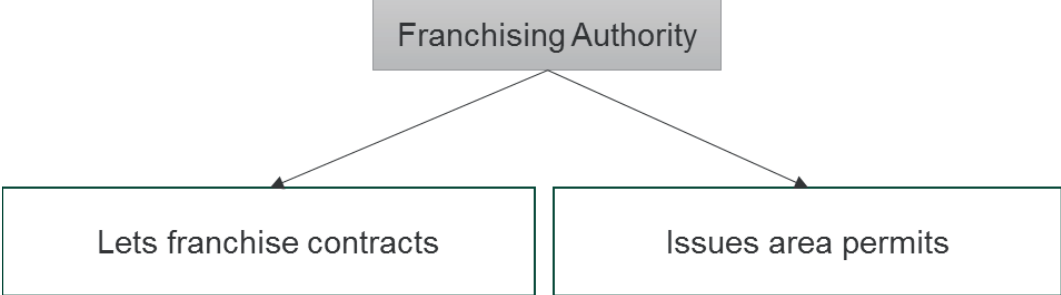
4.13 This process, although less prescriptive and without the formal hearing process included in the QCS, could provide clarity around the basis upon which a decision will be taken, and will give operators and other stakeholders a chance to scrutinise the proposals.

4.14 In other circumstances where decision making powers are devolved (such as its [guidance on assurance to Local Enterprise Partnerships](#)) the Government has

included a requirement for independent scrutiny of certain key aspects of the work (such as modelling and appraisal). This may be an appropriate model to apply to key aspects of a business case for bus franchising.

Franchising in practice

4.15 Much like the QCS process, we anticipate that the deregulated market would be replaced within a franchised area, and that all services classed as 'local services' in the Transport Act 1985 would have to either be operated as part of a franchise or be operated under an area permit issued by the authority.



4.16 In the spirit of devolution, the manner of franchising or contracting for services is likely to be left to the local authority to determine, bearing in mind their strategic objectives and the funding available to support a franchised system.

Range of different franchising models

There is a spectrum of different approaches to bus franchising that could be adopted by a local authority. The approach adopted will to a large extent depend on where the local authority's main priorities lie for moving away from the deregulated model and the local authority's approach to the management of risk.

There are two broad types, with considerable variation within each:

- Gross Cost
 - Here the local authority sets the fares and takes all the fare revenue risk
 - The local authority would specify all elements of the network, timetables and service standards relating to quality and operation
 - The local authority would look after all infrastructure, the retail network, information and promotions
- Net Cost
 - Here the operator takes all revenue risk and potentially sets some or all of the fares
 - The local authority could set a broad network, minimum service provision and set ticketing and fares structures. This can be as detailed or as general as the local authority wishes - within some limits set in European law.
 - The operator may be able to increase service levels/specification as it feels is commercially in its interests above a minimum (and potentially up to a maximum) level.

Statutory guidance

- 4.17 There are a number of different areas that need to be considered by a local authority when thinking of implementing franchising. There may be a case for statutory guidance (as for quality partnerships) to:
- provide more detail on the analysis and business case development that the authority will wish to carry out before deciding to exercise the franchising powers;
 - offer some consistency on key issues for operators who work across multiple franchise areas; and/or
 - support authorities in implementing a franchising regime in practice, including the different franchising methods available, and advice on planning a network.

Consideration of SMEs

- 4.18 Small and medium-sized operators have expressed significant concerns about their ability to continue to operate under a franchised system and the safeguards that will be in place to allow them to continue to operate their businesses where the de-regulated market is suspended.
- 4.19 One possibility might be to place a duty on the franchising authority to have due regard to the make-up of the current market when developing franchise proposals with a view to considering how many contracts should be part of their tender, and the geography of those contracts. This is also an issue which could be covered in any statutory guidance.

Area permit system

- 4.20 The powers applying in London include a permit system to accommodate cross-boundary services which do not form part of TfL's network. It has been suggested that this approach could also apply in franchised areas - so an area permit would need to be issued for any service operating in the franchised area which did not form part of one of the franchise contracts.
- 4.21 In order for an area permit system to operate fairly and effectively, we anticipate that the franchising authority will wish to set out, and consult on, the principles or criteria by which they would either accept or reject area permit applications. Some of the principles or criteria that might be considered are:
- the length of the route within the franchising boundary; and
 - the extent to which the service either competes with or complements the franchised network.
- 4.22 It is worth considering whether the franchising authority should also be able to attach certain criteria to the issuing of an area permit, such as the requirement to accept certain tickets, or a code of practice relating to the operation of the service within the franchising area, if this is clearly explained in the criteria.
- 4.23 It could be argued that the London model has not always allowed cross-boundary services to be provided in practice to the detriment of passenger's who live outside, but close to Greater London. One approach would be to have a single set of core national standards and rules for area permits which apply wherever franchising is in place but are administered by each franchising authority. This would have the benefit

of offering consistency to any operators who work across multiple franchising areas - but at the potential expense of some local flexibility.

- 4.24 A separate suggestion made is that there should be an appropriate appeals mechanism to ensure operators can challenge the decisions of authorities with regards to area permit applications. This could be done through the local magistrates or through a bespoke statutory process, such as referral to the Traffic Commissioner.

Transition and safeguards

- 4.25 There is likely to be a period of 18 months to potentially two to five years between an area deciding that they are interested in pursuing franchising to fully implementing franchising across the local area. During this period, the authority will be ensuring that they have the necessary powers, developing a business case, consulting and taking the decision to use the powers, designing and structuring franchises and then procuring those franchises, most likely over several waves or tranches.
- 4.26 Given these timescales the move to franchising could cause some uncertainty and disruption to the local bus market. Local places are unlikely to want passengers to be disadvantaged during this process. There are a number of measures which have been suggested to smooth the transition from the deregulated market to franchising, including:
- extending the notice period for deregistration of services to ensure there is consistency of service provision ahead of the move to franchising;
 - introducing a 'transition permit' system to ensure the franchising authority retains oversight of entrants and exits from the market to ensure services are provided in the interests of the public; and
 - ensuring that operators are provided with sufficient notice of the intention to move to franchising and the structure of a future franchising model, to ensure they are given sufficient time to adapt and plan.
- 4.27 Passengers will want investment in buses and in people who work within the bus industry to continue throughout the transition period. This is likely to be challenging given the long-term nature of many of the investment decisions that the bus industry takes. There may be potential for the franchising authority to agree to underwrite key investments in both buses and people to ensure the passenger is not disadvantaged in the transition period, and that operators are able to respond to the eventual franchise requirements.
- 4.28 Trade unions, and others, have stressed the importance of provisions to ensure that employees of existing bus operating companies are not disadvantaged by a move to franchising in a particular area. TUPE applies where Quality Contract schemes are implemented. We are thinking through the application of TUPE processes in a franchising context and if any legislative changes are required to protect the pensions of employees when they transfer between operators.
- 4.29 The Government wants bus services to passengers to continue to be provided by commercial operators. This currently applies across England, including in London. The desired outcome from franchising is a network of services planned and specified by the local authority with local people and the wider local area in mind, and with experienced commercial operators providing those services to a high standard.

Devolution of funding

- 4.30 Devolution deals have been agreed with Greater Manchester and Cornwall under which Government agreed to devolve relevant central funding relating to bus services. Our current position is that any local authority that chooses to adopt franchising powers in their area would receive the bus service operators grant (BSOG) that would have been paid to commercial operators in the area. The quantum of this funding will of course be subject to any upcoming or subsequent central Government spending decisions.
- 4.31 In addition to BSOG, arrangements also need to be put in place for the administration of the concessionary travel scheme in franchised areas. The principle being that the franchising authority would receive an allocation from Government for administration of the concessionary travel scheme across the entire franchising area.

How to deal with the existing QCS legislation

- 4.32 On the introduction of a new franchising process, the question arises as to whether it should replace the existing QCS legislation.
- 4.33 There are a number of options for dealing with the existing QCS legislation, including:
- repealing the QCS legislation in the 2000 and 2008 Acts meaning that the new franchising powers would be the only route to a franchised network;
 - keeping the QCS legislation as an alternative process for moving to franchising; or
 - amending the QCS legislation to include a sunset provision or clause so that it would cease to have effect after a specific date.
- 4.34 We would seek to ensure that the necessary safeguards are put in place to ensure that any authorities pursuing a QCS when the Bill receives Royal Assent are able to continue to do so and we could also consider other transitional issues.

Issues to discuss regarding the franchising proposals

At the workshops we would welcome your suggestions on the franchising options as outlined in the sections above.

In particular we are interested in your views on:

- how franchising powers could be bestowed on individual places;
- the decision-making process that local authorities will follow when determining whether or not to use the franchising powers;
- how franchising could work in practice including balancing consistency for operators working across multiple areas and the interests of passengers outside a franchised area with the principle of local decision-making;
- safeguards and transitional arrangements; and
- limiting risks to the sustainability of SME operators.

Strengthening partnerships

- 4.35 We have been told that the current partnership model is working well in many areas. In particular, operators and authorities have stressed the benefits it brings to the local bus market in the form of competition and private sector delivery, including:
- innovation and evolution of networks and service provision;
 - responsiveness to customer demand; and
 - incentives to provide high quality services and competitive fares.
- 4.36 Much can be achieved within the existing partnership framework, but there may be situations where the local market is not working as well as it could, and further measures could be valuable. We understand that franchising is unlikely to be the desired model for bus service delivery in all areas. Some local authorities and bus operators have expressed interest in using the Buses Bill to widen the existing quality partnership legislation. The issues and options discussed in this section are at a comparatively early stage of development and need significant further work - not least in relation to their interaction with competition law.

Reviewing the current scope

- 4.37 Several areas have told us that they see benefits for passengers in maintaining existing partnership arrangements in specific areas, but that they will not be able to maintain a direct linkage to infrastructure investment indefinitely. There is a need to ensure that partnerships encourage a network of profitable and sustainable bus services that provide the best possible level of service and value for money to passengers, and to recognise that buses need the right environment to enable them to prosper. Softer measures such as parking control are just as important as the investment in bus-related infrastructure on which QP schemes currently depend.
- 4.38 This may create a case to broaden the circumstances in which a QPS can be put in place to allow partnerships to be built around a series of pro-bus policies rather than being tied solely to the provision of infrastructure. A strong local authority commitment to promoting and investing in buses could still be required but the linkage to capital infrastructure may be less direct.

Exploring a new option

- 4.39 We know of several local authorities who have a strong desire to improve passengers' experience of bus services - especially in relation to ticketing structures and the co-ordination of timetables changes - and to do more to ensure that buses make a greater contribution to the social and economic needs of an area, but may not want to pursue franchising. In some cases this is because of the nature of the local bus market or the quality of existing relationships with operators, in others it arises from the likely resources needed to make franchising a success or the short and long term risks that it imports to the public sector.
- 4.40 Our discussions with the sector suggest there is significant doubt about how far QPS arrangements can extend into issues such as ticketing structures and network planning and a high degree of risk aversion - sometimes misplaced - and a tendency to be risk adverse - especially given the scale of the penalties if a company is found to be in breach of competition law.

- 4.41 So the possibility of adding new options to the buses policy 'tool kit' which explicitly allow for greater co-ordination of commercial local services has been proposed. This could provide a greater level of certainty for both operators and local authorities - ideally across a wider geographical area than is generally covered by a QPS - and would be a jointly-owned approach between bus operators, local government and other key players. These could sit between QPS schemes and franchising on the spectrum of options.
- 4.42 Local authorities could use new powers to achieve specific outcomes. They might - for instance - work together to identify and where necessary address some or all of the following aspects of the services:
- the network of routes and services (regardless of operator) needed to achieve economic, commercial and social outcomes;
 - the overall service frequency and headways on key routes;
 - the frequency and sequencing of timetable changes;
 - the fare structures/categories that could be introduced or simplified across an area to maximise overall revenue and/or patronage (but importantly not what those fares might be);
 - the integrated ticketing or smart card plans that could be delivered; and
 - the branding, marketing or other established standards that all operators need to meet.
- 4.43 The devil of such an approach is likely to be in the detail, which would appear to need to incorporate a number of key factors. These could include:
- appropriate arrangements to address the potential creation of 'exclusive rights' for existing operators, which would likely fall foul of European legislation and, where possible, to maintain some competitive constraint on operators;
 - a clear demonstration that plans were made in accordance with the part 1 competition test, and that on balance, the benefits to the passenger and wider society outweighed any restriction on competition;
 - ensuring that a balance is struck between the benefits of deregulation and offering local authorities the flexibility to deal with local circumstances;
 - formal joint governance between relevant local stakeholders (principally local authorities and operators), potentially coupled with a third-party perspective via impartial non-executive involvement - with no 'side' having a dominant position;
 - a commitment for a period from all parties to the arrangement to ensure certainty and stability; and
 - a clear strategy which sets out the outcomes and outputs all parties wish to achieve and the commitments they will take to get there. This would require, for example, commitment from a local authority to appropriate pro-bus measures and appropriate investment from operators.
- 4.44 To assist with implementing the agreed arrangements effectively, the partnership could enforce the local plans via the existing bus registration system – devolved from the Traffic Commissioners and strengthened to allow the partnership to accept, reject or apply certain criteria to the granting of registrations in limited circumstances. This could mean that the operators who did not comply with the terms of the arrangement could have their registration refused or revoked. In order to provide an incentive for

local authorities to meet their side of the agreement, a further policy option would be for these powers to only exist whilst an authority was meeting its own investment and policy commitments.

- 4.45 If there was considered to be merit in devolving and enhancing these powers for any arrangements for enhanced cooperation, there may also be some value in offering them to existing Quality Partnerships.
- 4.46 One risk with this approach is that it fragments what is currently a national system for bus registration. However, we also note that where bus franchising powers are provided, the local services in that area will no longer be subject to bus registration because the deregulated market has been suspended. So there will no longer be a single repository of information for all local bus services outside London unless we specifically plan for there to be one, and this is covered in more detail later in the document.

Issues to discuss regarding the partnership proposals

At the workshops we would welcome your suggestions on the options to strengthen partnerships as outlined in the sections above.

In particular we are interested in your views on:

- the scope of existing QPSs; and
- options for extending partnership arrangements further.

Improving the ticketing offer for passengers

- 4.47 Both passengers and local stakeholders aspire to have radically simpler fares and ticketing, with increased clarity around the value for money of travel undertaken by public transport.
- 4.48 Our work with the Smart Cities Partnership and engagement with local authorities and industry suggests that this can be a significant challenge. The desire is to reduce the barriers to delivery, whilst ensuring that passengers have access to the most appropriate fares regardless of the regulatory model used to deliver bus services in their local area. There are a number of ways in which this could be achieved:
- providing powers to mandate participation in integrated ticketing schemes, based around clear zonal structures with simple fare structures that are consistent and interoperable with other local, regional and national schemes;
 - providing open access for bus passengers to data on the fares they would pay to support advanced journey planning and improved clarity around value for money; and
 - developing a common framework for setting the price of multi-operator tickets to make these attractive for passengers while adequately compensating operators for their participation.

Longer-term aspirations

- 4.49 There is an opportunity to consider an alternative approach to ticketing, and to consider creating the legislative framework for a nationwide smart payment mechanism to allow customers to access and pay for travel anywhere in England using a smartcard, mobile device or contactless bankcard linked to a personalised account. By focusing efforts on a single national scheme it may be possible to offer the widest possible benefits to customers and local authorities, whilst enabling industry to avoid the costs of supporting different technologies in different local areas.
- 4.50 Such a scheme could, for example, provide customers with a 'best price promise' where they would be charged the most appropriate fare for the journeys they actually make. For example, the scheme could determine whether a locally available multi-operator ticket provided better value than a combination of single ticket fares or whether a maximum daily fares cap should be applied.
- 4.51 In order to achieve this and provide customers with a best price promise we envisage that there would need to be the following:
- a single national platform;
 - open access to fares data; and
 - business rules to support acceptance and reimbursement.
- 4.52 In addition to this, the issue of bus connectivity (GPRS/3G/4G) would need to be addressed to better support the advent of new technologies such as contactless bankcards.
- 4.53 Special attention would also need to be paid to the needs of smaller bus operators, as without 100% roll-out of the necessary equipment on buses a nationwide smart payment mechanism would not be achievable.

Issues to discuss regarding the ticketing proposals

At the workshops we would welcome your suggestions on ticketing issues.

In particular we are interested in your views on:

- the framework for multi-operator products and simplifying ticketing structures; and
- a smart payment mechanism for customers to access and pay for bus travel anywhere in England, through a token (such as a smartcard, mobile device or contactless bankcard).

Making bus services more transparent

- 4.54 People have far greater expectations about the kind of information that should be open to them than even a few years ago. Today, consumers expect to make informed choices based on easily available data – blanket refusals to release data are increasingly hard to justify.
- 4.55 Bus journey planning websites such as [Traveline](#) are already available, however, unlike some other public transport modes, information on fares and punctuality is not

always easily accessible. For example, the National Rail Enquiries website provides journey planning and fares information on rail journeys, with punctuality data on the Office of Rail and Road and Network Rail websites.

4.56 The data provided through the current bus registration process reflects the information requirements of 30 years ago, before the internet, [Traveline](#) and apps for mobile devices were available. The data currently captured is not rich enough for use in journey planners and real-time information systems. If the registration system were being established now, it is likely that there would be much greater emphasis on the open exchange of data, punctuality monitoring and populating journey planners.

Digital bus registration and open data

4.57 The bus registration system primarily ensures that operators commit to providing reliable services to the public. However, some local authorities also use the information provided to generate bus information for the public. Whilst registration applications can be submitted using the Electronic Bus Service Registration (EBSR) system, around 75% are still paper-based. This often means that a separate process is undertaken by local authorities to populate journey planning systems, increasing work, introducing duplication and risking inconsistency and an increased risk of errors.

4.58 The Government's digital strategy aims to improve processes through the use of digital tools and make interactions between business, the public and Government 'digital by default'. This means that services that are so straightforward and convenient that all those who can use them digitally will choose to do so whilst those who can't are not excluded.

4.59 In March 2014 the previous administration consulted on moving to a fully digital bus registration system. The majority of respondents supported this and many recognised the benefits of providing travel information that can be used by public facing websites.

4.60 Views on how to achieve a fully digital system were mixed. There were concerns over costs and complexity and a number of respondents suggested using financial incentives. Many said that an internet-based system should be provided, which should be simple to use, and training provided in how to make an electronic registration.

4.61 In addition to the possibility of moving to a fully digital system, there may also be scope to develop a central data repository which could be used to meet the requirements of registration and journey planning and store a broad array of information and data relating to bus services. This data might potentially include;

- timetables at bus stop level;
- route data to allow accurate mapping;
- real-time punctuality data for use in services either at bus stops, online or through apps; and
- information on the range of available fares.

4.62 Access to this repository could be made available to anyone who needs it, including those registering services, the Traffic Commissioners, local authorities, providers of travel information and DfT when administering Bus Service Operators Grant (BSOG) claims.

- 4.63 Transport Focus' research '[How Late is Late – what passengers think about punctuality and timetables](#)' explored passengers' needs for punctuality data. It indicated that some passengers would be interested in seeing headline punctuality and reliability figures and that they were most interested in lateness at their stop, although they thought the data would be most relevant to regulators.
- 4.64 Historic punctuality data may be of particular value in terms of operators and local authorities working together to improve punctuality. Alongside local authority traffic management data, this information can be used by partners to identify problem areas and agree actions to address them.
- 4.65 Further Transport Focus research ([Bus passenger views on value for money](#), Oct 2013) found a very strong desire for more centralised sources of fares information and that bus passengers identified the lack of fares information at the bus stop as a key expectation not being met.
- 4.66 Readily available fares data would improve the passenger experience, helping passengers plan journeys and find the best price by allowing fares to be included in apps like Traveline (1.2m enquiries/month) and [Citymapper](#) and delivered direct to passengers' mobile devices. Improving the passenger experience and, in particular, making journey planning easier could also help encourage the take up of bus travel.
- 4.67 Any move to digital open data would need to take into account the needs of smaller operators who may not be able to participate easily in digital registration or any additional data provision requirements.
- 4.68 Whatever the approach to digital bus registration, or any wider data provision, further work will be needed beyond these workshops to understand users' needs and then develop and test options with users to deliver a solution that is accessible to all.

Issues to discuss regarding data provision

At the workshops we would welcome your suggestions on the options around the registration system and data provision as outlined in the sections above.

In particular we are interested in your views on:

- establishing and managing a central data repository; and
- fares and punctuality data provision.

Greater transparency and clarity around registrations

- 4.69 There is also scope to increase transparency to local authorities by making improvements to the bus registration system. This could include proceeding with regulations to give local authorities 14 day advance notice of a registration and empowering local authorities to request information from operators about revenue and patronage of cancelled services (both recommended by the [Competition Commission in 2011](#)). It may also be useful to take the opportunity to clarify the registration requirements for rail replacement bus services.

Reforming local administration of the England National Concessionary Travel Scheme

- 4.70 The Department is responsible for the legislation underpinning the England National Concessionary Travel Scheme (ENCTS), providing free local bus travel for older and disabled people, but it is administered on the ground by 89 upper tier local authorities, with separate arrangements in London.
- 4.71 We understand that there are a number of technical challenges that local authorities and bus operators together have to overcome to deliver full national access to the concessionary travel entitlement. This includes coding of permit smartcards, coding of smartcard readers on buses and procurement of back office technology to handle the messaging between bus operators and local authorities. Schemes also have to be effectively managed to ensure that data collected is accurate and that reimbursement is based as far as possible on smart data rather than estimates or manual counting.
- 4.72 A number of changes that could potentially improve the administration of local schemes, resulting in more comprehensive and accurate data collection include:
- mandating the use of ENCTS permits as smartcards so that entitlement to the concession is based on the permit being read by a card reader (where fitted and working);
 - determining permit validity electronically rather than just by the expiry data and photograph on the face of the permit;
 - introducing similar powers to those in the Blue Badge scheme to prevent mis-use of the entitlement; and
 - developing statutory best practice guidance for the technical administration of local schemes.

Issues to discuss regarding transparency, clarity and the administration of the ENCTS

At the workshops we would welcome your suggestions on the options around providing greater transparency and clarity through the registration system and the local administration of the ENCTS.

Reforming the way bus services are funded

- 4.73 [Bus Service Operators Grant \(BSOG\)](#) is paid to bus operators to help keep fares low and to maintain a wide network of services across the country. The amount each operator receives depends upon the amount of fuel they use in running services.
- 4.74 BSOG is being reformed in two stages. The first stage was implemented in late 2013, and the previous administration worked closely with representatives from the bus industry, local authorities and passenger groups to gather evidence and review a wide range of options for reforming BSOG for commercial and community transport services. Reform of BSOG remains under consideration as part of the current Spending Review.

5. Conclusions and next steps

- 5.1 This document sets out a wide range of issues and options which will need to be considered and addressed as we - collectively - develop the Buses Bill and wider Bus Reform Policy. The Department has no firm policy position or preferred approach on the vast majority of issues.
- 5.2 Attendance at the workshops will give you the opportunity to shape this agenda by providing ideas and evidence of your own.
- 5.3 The intention is that the Bill will be introduced to Parliament before the end of the current session. We will consult formally on a draft Bill if the Parliamentary timescale allows.

The Buses Bill

New powers for Mayoral Combined Authorities

The Buses Bill announced in the Queen's Speech aims to 'provide the option to franchise bus services to areas willing to strengthen their governance with a directly-elected Mayor.'

This should allow a future Mayor the powers to introduce franchising in their areas in the time, the way and the manner they so choose.

Simplifying the existing legislation on Quality Contracts

The process (implementing a Quality Contract Scheme) for bus franchising set out in the 2008 Local Transport Act should be radically simplified to ensure that franchising is a viable option for those areas where an elected Mayor is not in place because either it is not a city region (for example a rural area or a stand alone city) or it is a city region where there is no local consensus or support for a city region Mayor.

The existing legislation sets out a cumbersome, disproportionate and very costly process which as a consequence has so far only been taken up by the North East Combined Authority where it has proved to be extremely challenging to seek to implement in practice.

Associated changes to the Traffic Commissioners powers may also be needed in relation to establishing franchising under either the Mayoral or non-Mayoral routes to franchising.

Improving services in areas where bus services remain deregulated

Ticketing

Where services are franchised the fares structure can be set by the Local Transport Authority.

Where services remain deregulated these new powers would enable LTAs to set the level of the extra cost of tickets that can be used on the services of more than one operator (at present the premia on multi-operator tickets can be excessive) and to ensure that those tickets are more easily available to passengers and are properly promoted.

Service and network stability

Where services remain deregulated strengthen the powers available to prevent new services being registered where the negative consequences of those new services outweighed any benefits. For example where those services would cause traffic congestion; undermine existing voluntary partnership schemes where those services were delivering high quality outcomes for passengers; or result in worsening air quality. This could be achieved through giving Local Transport Authorities new powers to make representations to the Traffic Commissioners on bus service registrations and give the Traffic Commissioners a wider range of grounds on which to refuse new registrations.

Quality Partnership Schemes (QPS)

The 2008 Local Transport Act allowed for Quality Partnership Schemes where operators can use improved infrastructure (such as bus priority) where they meet the vehicle standards set out in the scheme. Conditions on frequencies, timings and maximum fares can also be included. These provisions could be reformed to allow greater scope for setting more detailed conditions on timings and fares as well as on strengthening the enforcement regime to ensure that QPS conditions are met in practice.

Funding powers

In order to facilitate the devolution of public support for bus services the legislation could contain permissive powers to enable this.

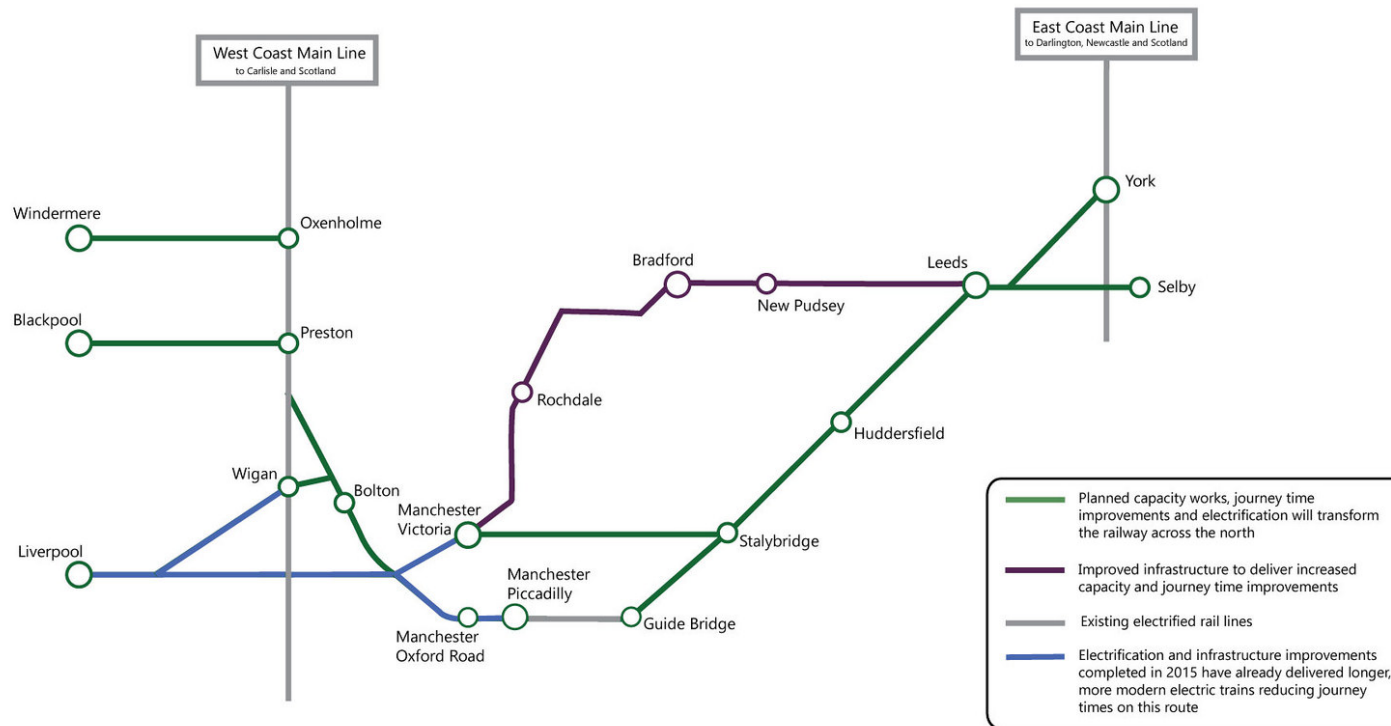
Passenger rights and open data

This would give bus passengers a new set of consumer rights in line with those enjoyed by bus passengers in London and rail passengers throughout Great Britain.

These include:

- information about fares (bus operators are currently under no obligation to provide fares information other than on the bus itself)
- information about how their services are performing
- a better system for complaints including a right of appeal to the statutory watchdog for bus passengers

North West and TransPennine: infrastructure and electrification improvements



Secretary of State for Transport Commission to Sir Peter Hendy

The Secretary of State has asked Sir Peter Hendy, as the new chair of Network Rail, to report to him this autumn with a proposal for re-planning the Control Period 5 (CP5) enhancements in a way that is efficient, deliverable and affordable. This work is for Network Rail to lead, engaging with the Department for Transport (DfT) as appropriate.

Purpose

The purpose of this exercise is to re-plan the delivery of CP5 enhancements so that:

- the work planned is deliverable within the resources available to Network Rail and its supply chain in any given financial year
- maximum value is gained through finding the most efficient means of delivery
- the cost for delivery within 2014 to 2019 does not exceed the original funding assumptions for enhancements
- work that cannot be afforded, or is not deliverable, between 2014 and 2019 is profiled for delivery beyond 2019, pending availability of funding
- work is prioritised taking particular account of interfaces with other infrastructure programmes and the need to deliver the required passenger and freight benefits, franchise or rolling stock commitments

Lessons from the Bowe Review, the work of the Brinded Sub-Committee and the Office of Rail and Road's investigation into Network Rail's delivery of enhancements should be incorporated into the re-planning process.

Scope

All CP5 enhancements projects and programmes are in scope for this review, including those included in the investment framework and ring-fenced funds.

Guiding principles and assumptions

The guiding principles and assumptions of this exercise will be that:

- this is a commission by the Secretary of State of Sir Peter Hendy as Network Rail chair - DfT will be engaged in this exercise as appropriate
- during the re-plan both organisations will be required to share information freely and quickly among the project team (subject to specific confidentiality constraints), and to be open and honest about any limitations and uncertainties inherent in the information
- Network Rail will be accountable for providing assured cost and schedule data for the re-plan, which can be relied upon
- the re-plan should be driven as far as possible by increased efficiency and innovation
- the re-plan will not jeopardise the safety and sustainability of the railway



***pteg* position statement on rail restructuring**

Rail in a devolved Britain

Our rail network serves an increasingly devolved Britain. Where most of the big decisions about transport were taken in Whitehall, more decisions are now being taken in Edinburgh, Cardiff, and London, as well as in England's major urban centres like Manchester – and through pan-regional bodies like Transport for the North and Midlands Connect. Devolution on transport makes sense because decision makers in the regions and nations of Britain are better placed to determine priorities, to pool diverse funding streams and to make the connections on how transport investment can unlock opportunities for growth.

Devolution on rail is a good example of the positive benefits in practice with investment and performance having been transformed on London Overground, Merseyrail Electrics and Scotrail since powers were devolved. This is because those rail networks have become more responsive to the needs of local decision makers and users, who understand the key role that rail has to play in supporting local economies.

With further powers being devolved to Scotland and Wales to determine their own affairs; more powers for city regions and counties in England through devolution deals with Government; and with Transport for the North and Midlands Connect taking on larger roles, it is clear that a top-down approach to running the railways, or to any structural reform, would be out of step with the realities of an increasingly devolved Britain.

At the same time we fully recognise that the need to retain key national dimensions to the structure, operation, and outputs of the rail network, for example on long distance passenger services, as well as a host of other issues like freight, safety and skills. Devolved entities are fully aware of the key importance to their economies of long distance passenger services as well as ensuring that as much long haul freight as is practicable is carried by rail, and the need to ensure that the interests of these sectors are reflected and safeguarded.

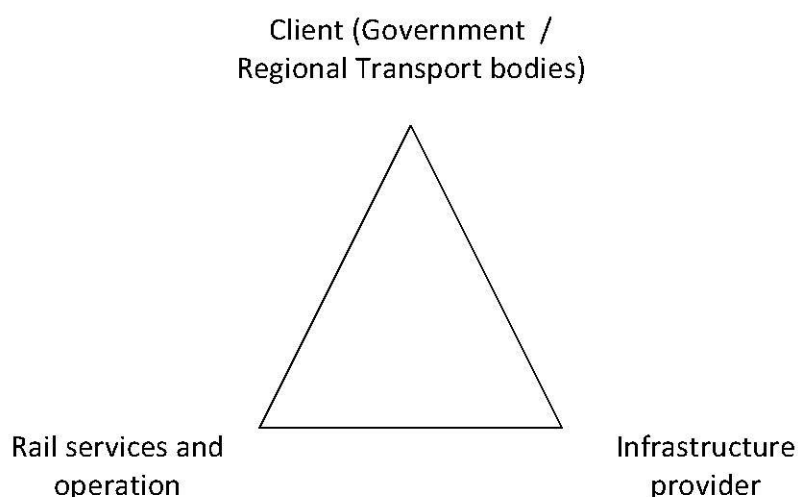
In short, a balance needs to be struck between moving faster to recognise and realise the benefits of devolution in a way that doesn't undermine the standards and integrity of the national rail network as a whole.

Getting the mapping and overarching relationships right

Network Rail has three key roles on infrastructure delivery – planning and prioritisation; commissioning; and delivery. It is also clearly critical to the operation of the rail network.

In terms of planning and prioritising, and operations, Network Rail (including in whatever form it may take in the future) needs to map on to both the geography of the major devolved entities with strategic responsibilities for rail (such as Scotland, Wales, Transport for the North, Midlands Connect) but also to relate to the respective governance arrangements. In this way, there can be better operational and strategic cohesion on both ensuring the current railway is run efficiently and in the way infrastructure priorities are determined and delivered in line with the wider transport and growth plans of the devolved bodies.

The diagram illustrates how any reforms should be guided by ensuring that the infrastructure provider maps onto both the client for rail services (national government and the devolved regional transport bodies), as well as the way in which rail services are provided.



Principles and issues for any structural reform of rail

There are a wide range of options for Network Rail reform, from no change through to geographical or functional reorganisation, and from some form of privatisation through to some form of not-for-profit status. Although there are clearly significant implications of different possible reform options at this stage we believe it is important to focus on some of the principles and issues that any reform should address.

Efficiency and culture

Current arrangements for the delivery of both major and minor infrastructure schemes, which are of key importance to devolved bodies, have proved to be inconsistent and ineffective in delivering improvements in a timely and cost effective way. The process by which schemes are developed and prioritised is also expensive and overly bureaucratic in itself. Even when schemes make it through this processes cost overruns, delays and de facto cancellation of projects are also far too common. We are also concerned that there is a lack of a business-like and accountable approach by Network Rail to clients and funders of infrastructure improvements. Devolved bodies are frequently faced with delays and cost increases over which they are poorly informed, and have no ability to meaningfully influence or to challenge. There is also a lack of clear lines of accountability for decision-making with too many overlaps within Network Rail as well as with other key players in the rail sector (such as ORR).

At the same time where infrastructure schemes have been commissioned and/or delivered by sub-national bodies (such as on the Merseyrail Electric network; additional capacity at Manchester Airport; or works to accommodate longer trains on the London Overground) then we have seen schemes delivered in a much more cost effective and timely way.

Any reforms therefore need to be based on giving greater confidence that the infrastructure provider has the skills and competencies to programme and deliver schemes efficiently and cost effectively as well as focus on cultural change so that Network Rail becomes more business-like and accountable in its relationships with its clients for infrastructure schemes.

On scheme commissioning and delivery, where devolved entities have the capacity, ambition and capability to take on these roles then there should be the option to do so. This can range from individual schemes (such as station upgrades, capacity increases or new routes) through to a wider role on infrastructure (such as on the self-contained Merseyrail Electrics network where devolution of responsibility for service specification has been highly successful).

Stations

The ownership, management and development of stations is a sub-area where there is scope for any structural review to focus on. Local stations are a key component and hub for wider transport networks, as well as being community assets in their own right. Stations also require the long term view that devolved entities can give them in terms of building their role in local communities, acting as the long term asset manager, and in integrating them with wider local transport and economic strategies. The opportunities to secure better commercial and retail opportunities by building on the synergies with other local transport infrastructure are largely untapped and must be reflected in any review. Devolved entities have a good track record in investing in local stations – including supporting new facilities and staffing. There is scope for accelerating the devolution of responsibilities for stations where devolved entities have the capacity and desire to take them on – up to and including transferring ownership from Network Rail.

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ITEM 7

Report to: Transport Committee

Date: 9 October 2015

Subject: Leeds City Region Growth Deal Delivery and Budget Allocation Process

1. Purpose

- 1.1. To update the Transport Committee on delivery of the West Yorkshire plus Transport Fund (WY+TF).

2. Background

Exception Report – Change of Status

- 2.1. The progression of feasibility and design work across the WY+TF “early win” projects has provided a much better understanding of risks to project delivery with some ratings now escalated to amber or red. The rationale for the risk ratings in relation to these are provided below.
- York Central Access – Escalated to ‘amber’ to reflect a delay in the procurement of the Gateway 1 works using the Network Rail procurement frameworks. It also reflects the scheme complexities including planning consent requirements, interdependencies with the development site, in particular the land assembly issues that will influence the delivery timescales for the new access bridge and wider infrastructure development and delivery; as well as the interface with Network Rail across the wider project area. The scheme can still be delivered by 2021;
 - York City Centre Public Transport Improvements – Escalated to ‘amber’ whilst City of York Council considers a revised package of measures to be brought forward. Strategies for traffic and public transport movements in the city centre will be considered as part of the Local Transport Plan (LTP) refresh to take place in 2016;

- York City Council are currently spending their own funding and leading work on developing their projects (York Central, York Outer Ring Road and York City Centre Public Transport Improvements). However there is no funding currently in place to develop schemes beyond 31 March 2016. York are yet to confirm whether they are going to be part of the Transport Fund and make contributions equivalent to the West Yorkshire Partners levy contributions. If this decision is delayed beyond December 2015 it is expected that this will impact on the likelihood of delivering York's early win schemes by 2021.
- There is a risk around York having the client resources available to progress their programme. Consideration will need to be given as to whether this can be resolved using the new resources secured through the current recruitment process
- A65 Airport Link Road – Leeds City Council are leading the project and have a project team in place to progress the development work. WYCA has allocated funding of £210k to allow Leeds to progress the project to Gateway 1. Escalated to 'red' due to scheme costs, third party funding requirements and risk around delivery by 2021. Preparatory work including developing route options for the Gateway Review is continuing to reduce these risks and uncertainties;
- Aire Valley Phase 1 (Temple Green Park and Ride) – Leeds City Council are leading the project and have a project team in place to progress the development work. WYCA has allocated funding of £800k to allow Leeds to progress the project from Gateway 1 to Gateway 2. Recent Information received subsequent to the gateway review on the commercial and financial case has subsequently reduced the overall risk on this project. Whilst the scheme had been subject to delay arising from the land remediation contractor going into liquidation, construction work is now programmed to start in April 2016 meaning this will be delivered as an "early win" project.
- A629 Halifax to Huddersfield Improvements (Phase 2 Halifax town centre) – Calderdale Council are leading the project and have a project team in place to progress the development work. WYCA has allocated funding of £340k to allow Calderdale to progress the project to Gateway 1. The status is now shown as 'amber' to reflect overall scheme complexities, such as land acquisition requirements, interface with stakeholders and the range of different benefits that the scheme will deliver, and therefore the different methods of capturing those benefits. Negotiations are continuing with landowners and stakeholders, and baseline evidence continues to be collected to demonstrate the different benefits. The project can be progressed in 5 phases, the first three of which are expected be delivered by the 2021 as planned. Further work to be undertaken to establish firm programmes for phase 2d and 2e).

- Huddersfield Station Gateway – WYCA has previously allocated funding of £60k to allow work to progress the project to Gateway 1. The status is now ‘amber’ due to interface with Network Rail’s electrification programme. It is now proposed to de-couple the project from Network Rail’s proposals so that the Transport Fund elements can be progressed independently. External advice is to be sought on issues, including heritage and highway network considerations around constructing a car park on the St Georges Warehouse land, which will further help manage risks around deliverability;
- East Leeds Orbital Road – Leeds City Council are leading the project and have a project team in place to progress the development work. WYCA has allocated funding of £3.9m to allow the project to progress from Gateway 1 to Gateway 2. Complexities of the project including land acquisition and third party funding contributions have been previously highlighted. However overall assessment for delivery by 2021, as shown in the programme presented to the WYCA in December 2014 is green.

Car Park Extensions Gateway

- 2.2. A package of car park extensions at rail stations to enhance connectivity to, from and within West Yorkshire has been identified. The purpose of the package is to increase car parking capacity at selected stations, delivering benefits as a result of improved access to the rail network. The package is designed to support sustainable employment growth in the main urban centres and would particularly benefit commuters, as well as support more travel into and by rail for other purposes. For the purpose of delivery, the programme has been split in to two tranches, as shown below.

Tranche 1

Fitzwilliam
Horsforth
Mytholmroyd
South Elmsall

Tranche 2

Hebden Bridge
Menston
Mirfield
Morley
Normanton
Shipley
Steeton and Silsden

- 2.3. The WY+TF Rail Package (Parking) Programme Tranche 1 Gateway 1 submission was approved by the Combined Authority at their meeting on 17 September 2015. This approach included approval for expenditure of £137,000 (including contingency) to allow the preparation of detailed design, and the development of a full detailed business case. Approval to proceed beyond that stage would be sought at Gateway 2.
- 2.4. Tranche 2, consisting of the remaining sites would still be progressed for delivery within the first 3 years of the WY+TF being established subject to the land ownership issues being resolved.

3. Financial Implications

3.1. There are none arising directly from this report.

4. Legal Implications

4.1. There are none arising directly from this report.

5. Staffing Implications

5.1. Recruitment to the previously approved additional posts is underway.

6. Consultees

6.1. Directors of the Combined Authority have been consulted in the preparation of this report.

7. Recommendations

7.1. That the progress to date in developing and delivering the West Yorkshire Plus Transport Fund programme is noted.

8. Background Documents

8.1. West Yorkshire Combined Authority, 23 July 2015 – Item 6, Leeds City Region Growth Deal delivery update.

8.2. West Yorkshire Combined Authority, 23 July 2015 – Item 7, Leeds City Region Growth Deal budget re-allocation and funding approvals for 2015/16 and 2016/17.

8.3. West Yorkshire Combined Authority, 12 March 2015 – Item 8, Leeds City Region Assurance Framework.

Originator: Paul Roberts
Integrated Transport



ITEM 8

Report to: Transport Committee

Date: 9 October 2015

Subject: Local Transport Plan Approvals

1. Purpose

1.1. To seek approval for Quarter 3 2015/16 payments for the following programmes:

- Local Transport Plan (LTP) Integrated Transport and Highway Maintenance Blocks
- Cycle City Ambition Grant (CCAG1) for CityConnect programme
- Cycle City Ambition Grant 2 (CCAG2)

1.2. To seek funding approval for the following IP2 schemes:

- Bus Hotspots 2015-17 Programme
- Real-Time Information – New System Implementation
- Website Project
- Innovate UK-Smarter Travel Solution

2. Information

Quarterly Payments

2.1. Table 1 shows the payments to be made to partners. LTP Payments are based on the current allocations as reported to Transport Committee in July 2015 subject to some minor revisions as set out in **Appendix 1**.

Integrated Transport Block Funding

2.2. Responsibility for delivering the interventions identified in Implementation Plan 2 (IP2) is shared between the Combined Authority and District Councils. Continuing the

arrangements from IP1, the Integrated Transport (IT) Block element of the LTP funding will be distributed by the Combined Authority between the LTP Partners based on the value of the Implementation Plan each partner is responsible for delivering (less any over-programming).

- 2.3. The Quarter 3 payments for each of the Partners, reflecting the latest progress in developing and delivery of IP2, are set out in Table 1. Appendix 1 sets out the changes made to the programme by District.

Highways Maintenance Block Funding

- 2.4. The Highway Maintenance (HM) Block funding is distributed between the District Councils in accordance with Department for Transport (DfT) formulaic allocation.
- 2.5. The distribution of the HM Block funding is set out in **Appendix 2**. The proposed quarter 3 payments are shown in Table 1.

Cycle City Ambition Grant (CCAG1) Funding

- 2.6. The Cycle City Ambition Grant (CCAG1) funding is managed in accordance with the principles established for LTP funding, with funding allocated to partners in accordance with the forecast spend at the beginning of each quarter.
- 2.7. The funding to be allocated in quarter 3 of 2015/16, as agreed with the partners involved is set out in **Appendix 3**. The proposed quarterly payments are shown in Table 1.

Cycle City Ambition Grant (CCAG2) Funding

- 2.8. The Cycle City Ambition Grant (CCAG2) funding is managed in accordance with the principles established for LTP funding, with funding allocated to partners taking into account previous quarterly payments, actual spend to date and forecast spend at the beginning of each quarter.
- 2.9. In March 2015 the Transport Committee approved interim payments of £100,000 per partner to five District Partners (Bradford, Calderdale, Kirklees, Leeds and Wakefield) to fund development work. For Bradford, Calderdale and Wakefield this funding remains sufficient to cover activities during the coming quarter and no payments for Q3 are proposed. Based on current spend/forecast information from Leeds, Kirklees and WYCA the following payments are proposed for Q3:
- Leeds £55,995
 - Kirklees £48,000
 - WYCA £16,000

- 2.10. The funding to be allocated in quarter 3 of 2015/16, as agreed with the partners involved is set out in **Appendix 4**. The proposed quarterly payments are shown in Table 1.
- 2.11. Approval is therefore sought for expenditure of £119,995 to fund the Q3 CCAG payments to Leeds, Kirklees and WYCA. This expenditure would be funded by the DfT Grant for CCAG in 2015/16.

Local Transport Plan – Implementation Plan 2 approvals

Bus Hotspots 2015-17 Programme

- 2.12. In October 2014, the Transport Committee approved funding of £326k, from the Bus Hot Spots IP2 programme, for the delivery of six schemes to address congestion ‘hotspots’. The schemes were delivered on time and within budget. At the same time approval was given for £115k to be provided to enable feasibility work to be undertaken on schemes for delivery in 2015-17. The projects delivered in 2015 are shown below:

District	Schemes delivered in 2015	Cost (£k)
Bradford	Bolton Road/ShIPLEY Airedale Road – improved access to bus gate	15
	Queensbury – Improvement to signals	15
Calderdale	King Cross – Revised Traffic Management including revisions to parking and bus stopping arrangements	141
Leeds	Chapel street/Selby Road – Realignment of road junction and introduction of signals	80
	Garforth – A range of signalised bus priority measures	15
Wakefield	Hall Green – Revised parking arrangements at bus terminus	60
Total Expenditure		326

- 2.13. In January 2015 WYCA approved a Capital Programme which included £300,000 provision to continue the Bus Hotspots programme in 2015/16 and 2016/17. Following discussions with the West Yorkshire District Councils and bus operators a programme of small scale schemes to address congestion hotspots in 2015-17 has been developed, as set out below;

District	Projects for delivery 2015-2017	Cost (K)
Bradford	Odsal Roundabout – Introduction signalised bus priority measures at junctions and new bus lane	41
	Great Horton Road – Introduction of signalised bus priority measures and junction improvements	93

Kirklees	Lockwood Road bus Lane – extension of operating hours	8
	Thorncliffe Street, Lindley – introduction of one way loop system	15
	A641 Ring road/Slip Lane – Measures to enable easier access for buses on to the A641 from Huddersfield Town Centre	25
	Whitehall Way, Dewsbury - New Queueing lane for Whitehall Way Car Park	15
	A62 Leeds Road/Deighton Road bus stop relocation and reconfigured layby.	30
Leeds	A61, Stourton – Introduction of southbound bus lane	60
Wakefield	Airedale Magnet – Revised parking and junction improvements	22
	Leeds Road, Bus stop rationalisation, service 110	22
	Ossett bus Station/Prospect Road – junction improvements	26
	Trinity Walk – Revised Traffic Management to reduce congestion at Trinity Walk	27
Contingency		15
Total requirement to fund the above		400

2.14. Approval is sought for expenditure of £400,000 to be funded through the Local Transport Plan to deliver the 12 Bus hot-spot schemes shown above, between 2015-17

2.15. The approach reflects the case made in the recent report by Pteg, Greener Journeys and the Campaign for Better Transport, which concluded that programmes such as this are a cost-effective way to reduce road congestion and cut pollution and carbon emissions, and in general represents very high value for money.

Real-Time Information – New System Implementation

2.16. The Transport Committee has approved expenditure on renewing the Yorkshire-wide “YourNextBus” real-time information system, which has been in live operation since October 2005.

2.17. An EU compliant procurement exercise has been undertaken, with bids invited for seven ‘lots’:

- Lot 1 – Data Management
- Lot 2 – Real Time Platform
- Lot 3 – Historical Reporting
- Lot 4 – Open Data Platform
- Lot 5 – Information Outputs
- Lot 6 – Signs and Totems
- Lot 7 – Bus Station Systems

2.18. The tender evaluation process has recommended two preferred suppliers who have offered affordable bids. Both vendors meet the quality requirements while offering the lowest total cost and best value over ten years for lots 1-4 and four years for lots

5 and 6. No compliant bids were received for lot 7 relating to the management of bus station displays, the current contract will be retained and a further procurement undertaken. Contract award is now subject to funding approvals from all partners and the mandatory 'stand still' period during which an unsuccessful bidder may challenge the award.

- 2.19. Approval is now sought for expenditure of £1,000,000 in respect of implementation, transition and contingency costs. This expenditure will be shared between WYCA, South Yorkshire Passenger Transport Executive and City of York Council in ratio to their populations, with the WYCA share being £634,000.

Website Project

- 2.20. Following the implementation of several new websites in April 2013, the Combined Authority has seen a significant increase in the usage and customer importance of its online services. In 2014 there were approximately eight million visits to WYCA's principal website, wymetro.com.
- 2.21. Further investment is now required to ensure that the Authority's websites are able to accommodate the continuing increase in customer usage, contribute to the implementation of other cost reduction measures and can be more efficiently and effectively maintained.
- 2.22. Transport Committee approval for expenditure of £138,000, to be funded through the Local Transport Plan, to cover project management and infrastructure resources is requested in order for these improvements to be undertaken. A further capital request will be made in 2016 to cover the costs of enhancing the functionality of WYCA's online services so that they better support the Authority's approach to cost effective information provision.

Innovate UK-Smarter Travel Solution

- 2.23. WYCA is part of a consortium, including O2 Telefonica and Leeds Institute of Transport Studies, that has successfully bid for £1.75m from Innovate UK to develop a multi-modal journey planner called the Smarter Travel Solution. Over the two years of the project WYCA will receive funding of £72,031 for staff costs working on the project, with the 50% match funding coming from the already approved LTP capital budget for the SCIP programme.
- 2.24. The Smarter Travel Solution will deliver;
- A map based multi-modal journey planner incorporating real time and disruption information
 - Option to book and pay for tickets
 - In-journey information
 - Options to provide feedback on the journey

- Journey history

- 2.25. The Smarter Travel Solution will be a digital mobile/internet solution taking existing and planned initiatives (bus and rail accessed by smartcard/phone) and integrating them with other transport options (taxi, car club) and active travel through all the stages of a journey.
- 2.26. This is an ambitious two year integrated transport project to bring the entire management and completion of a journey under one umbrella, with the project due to commence on the 1 November 2015.
- 2.27. Approval is therefore sought for expenditure of £72,031, funded by grant funding from Innovate UK, to cover staff costs working on the Innovate UK-Smarter Travel Solution project.

3. Financial implications

- 3.1. The financial implications are set out in Section 2 of the report.
- 3.2. Table 1 summarises the Quarter 2 payments to be made to the District Council partners:

Table 1 – Quarter 3 2015/16 Payments (£000s)

District	IT	Maintenance	CCAG 1	CCAG 2	Total
Bradford	452	1545	46	0	2,043
Calderdale	288	985	0	0	985
Kirklees	808	1529	0	48	1,577
Leeds	966	2175	2,812	56	6,009
Wakefield	338	1069	0	0	1,407
WYCA	3,174	0	527	16	3,717
York	0	0	0	0	0
Total	5,574	7,303	3,385	120	15,738

4. Legal Implications

- 4.1. None.

5. Staffing Implications

- 5.1. None.

6. Consultees

- 6.1. John Henkel (Acting Director Transport), Angela Taylor (Director of Resources) and David Hoggarth (Director of Development) have provided advice in the preparation of this report.

7. Recommendations

- 7.1. That Transport Committee approves expenditure of £119,995 to fund the Q3 CCAG payments to Leeds, Kirklees and WYCA. This would be funded by the DfT Grant for CCAG in 2015/16.
- 7.2. That the Transport Committee approves the quarterly payments set out in Table 1.
- 7.3. That the Transport Committee approves expenditure of £340,000 to be funded through the Local Transport Plan to deliver the 2015-16 – 2016/17 Bus Hot-spots programme.
- 7.4. That the Transport Committee approves expenditure of £1,000,000 to fund the new Real Time Information System. This would be funded by the Local Transport Plan and from contributions from South Yorkshire Transport and City of York Council (£36,000).
- 7.5. That the Transport Committee approves expenditure of £138,000 to be funded through the Local Transport Plan, to deliver the Website project.
- 7.6. That the Transport Committee approves expenditure of £72,031, funded by grant funding from Innovate UK, to cover staff costs working on the Innovate UK-Smarter Travel Solution project.

8. Background Documents

- Business Plan – Transport Capital Programme and Revenue Budget, 16 January 2015, Item 8
- A fair deal for bus users - Seizing the opportunities for Britain, August 2015, Pteg, Greener Journeys and the Campaign for Better Transport

Appendix 1

Changes to Indicative LTP Integrated Transport IP2 2014-2017 (£000s)

District		2014/15	2015/16	2016/17	TOTAL
Bradford	Approved July 15	1,037	2,059	1,478	4,574
	Proposed Adjustment	0	-124	94	-30
	Proposed Oct 15	1,037	1,935	1,572	4,544
Calderdale	Approved July 15	1,243	1,154	810	3,207
	Proposed Adjustment	0	-14	60	46
	Proposed Oct 15	1,243	1,140	870	3,253
Kirklees	Approved July 15	1,489	3,271	1,518	6,278
	Proposed Adjustment	0	0	0	0
	Proposed Oct 15	1,489	3,271	1,518	6,278
Leeds	Approved July 15	3,640	4,969	2,324	10,933
	Proposed Adjustment	0	-721	705	0
	Proposed Oct 15	3,640	4,248	3,029	10,917
Wakefield	Approved July 15	1,446	1,564	1,260	4,270
	Proposed Adjustment	0	-120	100	-20
	Proposed Oct 15	1,446	1,444	1,360	4,250
Combined Authority	Approved July 15	10,808	12,691	3,651	27,150
	Proposed Adjustment	0	170	170	340
	Proposed Oct 15	10,808	12,861	3,821	27,490
Centrally held funding	Approved July 15	0	671	1,834	2,505
	Proposed Adjustment	0	-150	-170	-320
	Proposed Oct 15	0	521	1,664	2,185
TOTAL	Approved July 15	19,663	26,379	12,875	58,917
	Proposed Adjustment	0	-943	959	16
	Proposed July 15	19,663	25,400	13,834	58,897

Notes

General: The 2015/16 Programme is proposed to be reduced by just under £1m, almost all of which is proposed to be reprofiled into 2016/17, as a result of changes to scheme delivery

Bradford: -£94k in 2015/16 +£94k in 2016/17

- Freight park – reprogrammed for delivery from 2015/16 to 2016/17 to follow construction of Low Moor station

- Network Management – adjustment relating to reduced 2014/15 programme: -£30k

Calderdale: +£79k in 2015/16

- Network Management: adjustment relating to 2014/15 programme: +£46k
- Network Management: reprofiling of elements of 2015/16 programme: -£60k in 2015/16; +£60k in 2016/17

Kirklees: no changes to allocation

Leeds: -£721k in 2015/16; +£705k in 2016/17

- Elland Road Phase 2 – delivery reprogrammed to 2016/17: -£705k in 2015/16; +£705k in 2016/17
- Network Management – adjustment relating to reduced 2014/15 programme: -£16k

Wakefield: -£120k in 2015/16; +£100k in 2016/17

- Bell St/Bond St Traffic Signals scheme – scheme proposed for deferral to 2016/17 to link with wider city centre works: 2015/16 -£100k; 2016/17 +£100k
- Electric Vehicle charging points – revision of Low Carbon programme proposes funding to be reallocated to other schemes: -£20k

WYCA: +£170k in 2015/16; +£170k in 2016/17

- Hotspots programme 2015-2017 – funding transferred from Centrally Held. +£170k in 2015/16; +£170k in 2016/17

Centrally held funding: -150k in 2015/16; -£170k in 2016/17

- Hotspots programme 2015-2017 – funding transferred to WYCA. +£170k in 2015/16; +£170k in 2016/17
- Electric Vehicle charging points – revision of Low Carbon programme proposes Wakefield funding to be reallocated to other schemes; +£20k returned to central funding.

Indicative LTP Highways Maintenance Block Funding 2014-2017 (all figures in £000s):

Partner Authority	IP2		
	2014/15 (paid)	2015/16 (forecast)	2016/17 (forecast)
	£000s	£000s	£000s
Bradford	5,226	6,180	5,665
Calderdale	3,365	3,941	3,613
Kirklees	4,331*	6,116	5,607
Leeds	6,855	8,701**	7,976
Wakefield	2,978	4,276	3,920
Combined Authority	10 [#]	0	0
Total	23,766	29,213	26,781

* Kirklees maintenance allocation has been adjusted to pay back the loan from the IT block in 2013/14 to fund an accelerated maintenance programme ahead of the Tour De France

** Includes a +£1k correction for a rounding error in 2014/15 payment

Topslice to fund development work for Highways Maintenance Challenge Fund (£5k) and Pothole Fund Review (£5k)

CCAG1 Funding Profile (all figures in £000s)

Partner	2013/14 (paid)	2014/15 (paid)	2015/16			
			Q1 (paid)	Q2 (paid)	Q3 (proposed)	Q4 (Forecast)
Bradford	142	758	340	26	TBC	Spend profile for Quarters – 4 TBC
Leeds	457	5,254	3,173	5,658	TBC	
WYCA	630	1,190	950	0	TBC	
Total	1,229	7,172	4,463	5,684	TBC	

Note: total funding for the projected is made up as follows:

DfT Cycle City Ambition Grant	£18.052m
LTP IP2 contribution	£7.5m
Best Foot Forward	£0.25m
Leeds City Council	£0.17m
Total	£25.972m

CCAG2 Funding Profile (all figures in £000s)

Partner	2015/16			
	Q1 (paid)	Q2 (paid)	Q3 (proposed)	Q4 (Forecast)
Bradford	100	Nil	Nil	Spend profile for Quarter 4 TBC
Calderdale	100	Nil	Nil	
Kirklees	100	Nil	48	
Leeds	100	Nil	56	
Wakefield	100	Nil	Nil	
WYCA	100	Nil	Nil	
Total	600	nil	104	

Originator: John Henkel
Acting Director Transport



ITEM 9

Report to: Transport Committee

Date: 9 October 2015

Subject: Enhancement to the Young Persons' Concessionary Travel Scheme

1. Purpose

1.1. Enhancement to the Young Persons' Concessionary Travel Scheme.

2. Information

Background

2.1. WYCA provides concessionary travel for all eligible categories, as defined in the 1985 Transport Act, including young people aged between 5 and 16 and between 16 and 18 who are in full time further education.

2.2. WYCA leaders have identified that support for travel costs of apprentices is a priority and have requested that the Transport Committee consider how progress towards this could be achieved.

2.3. The Transport Committee has endorsed proposals to enhance the Young Persons Concessionary Travel Scheme and undertake the required consultation with bus operators. The enhanced scheme would include all 16 to 18 year olds (the current Scheme only includes 16 to 18 years olds in full time further education), thereby supporting apprentices and others.

2.4. At the meeting held on 31 July 2015 the WYCA:

- Approved the use of well-being powers to extend the Transport Act 1985 Concessionary Travel Scheme to include all 16 to 18 year olds who are resident in West Yorkshire, from 1 November 2015;
- agreed that consideration of negotiated reimbursement agreements with larger operators be delegated to the Transport Committee;

- Requested that the Transport Committee review the residency requirements for issuing a young persons' photocard to young persons aged between 11 and 16.

Residency Criteria for a Young Person Photocard

- 2.5. Young persons between the age of 11 and 16 are required to have a photocard to benefit from a concessions fare. A Young Persons Photocard is currently issued on an ITSO smartcard to anyone who meets the age requirement. Residency in West Yorkshire is not required in order to obtain this photocard.
- 2.6. It is proposed that the residency qualification is changed to require that, with effect from 1 April 2016 West Yorkshire residents only are entitled to obtain the photocard.
- 2.7. It is not proposed to withdraw photocards from existing users who live outside West Yorkshire.
- 2.8. An Equality and Needs Assessment of this proposal is attached as **Appendix 1**.
- 2.9. The Transport Committee may wish to consider the possibility of a charge for non-West Yorkshire residents.

Name Changes

- 2.10. The smart card currently issued to 16 to 18 year olds in full time education is called a Scholars Photocard. However, in view of the extension to all 16 to 18 year olds the 'Scholars Photocard' will be renamed the '16 - 18 PhotoCard'.

Reimbursement Arrangements

- 2.11. There is the same legal requirement as in the ENCTS scheme to ensure that operators are financially no better or worse off as a result of being in the scheme. Operators can withdraw from the Young Persons Scheme on the grounds of inadequate reimbursement.
- 2.12. The formula used to calculate reimbursement rates takes into account the travel that is generated as a result of young people paying half fare as well as the availability of day, weekly and monthly tickets.
- 2.13. There is a risk surrounding the introduction of an enhanced scheme to include all 16 to 18 year olds. This age cohort of people have never had access to concessionary travel previously, which means that there is some uncertainty in predicting the take up rates or the potential number of trips that will be made.
- 2.14. Agreement settlements are an established way of managing risk for both WYCA and operators. Agreed payments would also ease the transition to using Smartcard data for re-imbursement purposes replacing the expensive former on bus survey systems.

- 2.15. In order to manage the risk large operators have indicated that they would consider a two year Settlement Agreement covering 2015/16 and 2016/17.
- 2.16. These agreements would complement similar arrangement for re-imburement associated with the English National Concession Scheme (ENCTS), which were approved for the three year period covering 2014/15, 2015/16 and 2016/17.

3. Financial Implications

- 3.1. The cost of extending the concessionary entitlement is estimated to be £700,000 per annum less the costs arising from changes in educational policy requiring more young people to remain in full time education. Any agreement would be required to be affordable within the approved budget provision for 2015/16 of £9.9m and the medium term financial strategy for future years
- 3.2. The savings from introducing a residency criteria for 11 – 16 year olds is estimated to be £50,000 per annum.
- 3.3. The proposed agreed reimbursement for the four largest operators would total £17.2m over 2015/16 and 2016/17. The agreements would incorporate ‘cap and collar’ arrangements. The default position would be to pay in accordance with the published scheme.

4. Legal Implications

- 4.1. The extension of concessionary travel to all young people between 16 and 18 requires the use of Well Being Powers (as the 1985 Transport Act only includes 16-18 year olds in full time education).
- 4.2. The Equality and Needs Assessment relating to proposed change to the residency requirement is attached as **Appendix 1**.

5. Staffing Implications

- 5.1. There are no staffing implications arising from this report.

6. Consultees

- 6.1. The Director of Resources, and Accessibility Officer have contributed to this report.

7. Recommendations

- 7.1. That the Transport Committee approves the introduction of a West Yorkshire residency requirement for a Young Person (11-16) Photocard, from 1 April 2016.

7.2. That the Transport Committee approves the use of Settlement Agreements for reimbursement of young person concessions, with larger operators covering 2015/16 and 2016/17, within the approved budget forecasts.

8. Background Documents

8.1. Report to Transport Committee on 27 March 2015

8.2. Report to WYCA on 23 July 2015



Equality Impact and Needs Assessment

Enhancement to the Young Persons Concessionary Travel Scheme

11 September 2015

Equality Impact and Needs Assessment

1. What is an Equality Impact and Needs Assessment (EINA)?

An EINA is a baseline assessment of a policy or strategic area with regard to race, gender and disability. It will help to determine whether a strategy or policy is failing to meet the needs of specific groups or has discriminatory outcomes. **The EINA should be carried out on all existing strategies and policies and on any new ones which are being developed.** The aim of the assessment is to promote the principle of equality so it is the outcomes of the assessment, which is important.

2. Types of Equality Impact and Needs Assessment

There are two stages of assessment:

A standard assessment should produce estimates or signs of possible adverse or unequal impact. It will be based on data you already have. A standard assessment must be carried out on every strategy and policy within the organisation.

A full assessment must be carried out where a standard assessment points to real concerns about adverse impact. A full assessment may include an external consultation process leading to a final recommendation. Arrangements for monitoring and evaluating the impact of the strategy / policy will be made as part of the full assessment.

3. Which type of assessment should I use?

It is not necessary to begin with a full assessment. You should begin with a standard assessment to identify whether the strategy or policy could have an adverse impact on a relevant group and whether it is necessary to go on to full assessment. EINAs are part of the process of implementing the Equality Standard for Local Government. The Standard involves a cycle of equality objective and target setting, action, monitoring and review. Over time therefore a full assessment of impact is carried out through the implementation of the Equality Standard.

4. Prioritising action arising from service EINAs

Conducting an EINA on a service area may result in a number of issues or problems being identified, which require action. If a large number of problems are identified, you will need to prioritise the problems and to produce an action plan which should feed into your departmental plan and into relevant theme in the Metro Business Plan.

Equality Impact and Needs Assessment

<p>What is the organisation strategy or policy being assessed?</p> <p>Enhancement to the current Young Persons Concessionary Travel Scheme to include all 16 to 18 year olds residing within West Yorkshire. Changing the residency eligibility requirement to exclude 11 to 16 years olds living outside West Yorkshire from obtaining concessionary travel within West Yorkshire.</p>	<p>Department:</p> <p>Concessions and Integrated Ticketing</p>	<p>Date:</p> <p>17 September 2015</p>
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1. Responsibility and Ownership

<p>Service Area:</p> <p>Concessionary Travel</p>
<p>Lead Officer:</p> <p>John Keady</p>
<p>Members of the assessment team:</p> <p>Angela Taylor John Henkel</p>
<p>Others involved in the assessment (peer review / external challenge):</p> <p>Erica Ward</p>

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2. Terms of Reference

Briefly describe the aims of the strategy or policy you are assessing:

There is a statutory obligation on WYCA to provide free off peak travel on buses across England for eligible senior and disabled people. The WYCA also has discretionary powers under the 1985 Transport Act that allows it to provide a more generous concessionary travel scheme than the statutory minimum. It currently uses these powers to provide half fare travel on local bus and train services for young people under 16 and 16 to 18 year olds in full time further education.

WYCA leaders have identified support for the travel costs of apprentices as a priority and have requested that the Transport Committee consider how progress towards this could be achieved. The extension of the Scheme will result in all 16 to 18 year olds being eligible for concessionary bus and train travel. In addition, the WYCA's adoption of the Strategic Economic Plan (SEP) re-inforces the desirability of extending the current scheme to include a wide range of young people, particularly apprentices whose pay reflects the learning element but who are not entitled to concessionary travel under the 1985 Transport Act.

Who is intended to benefit from the outcomes of the strategy or policy?

Young people residing in West Yorkshire aged between 16 and 18 who are **not** in full time further education.

What objectives are wanted from the strategy or policy?

The West Yorkshire Local Transport Plan, which sets out a 15 year strategy for developing and managing an integrated transport system that will support economic growth, reduce carbon dependency and improve quality of life. The use of discretionary powers in respect of concessionary travel meets the policy objectives of reducing carbon dependency, improving quality of life and supporting economic growth.

This must be balanced with the need to manage a decrease in the budget available for the provision of all CA services. The current arrangements mean that non West Yorkshire resident are benefitting from concessionary travel

which is wholly funded by West Yorkshire Council Tax Payers.

Please list other strategies and policies and operational areas which relate to this strategy or policy:

Seek to maximise, within available resources, the availability, acceptability and accessibility of public transport.

3. Equalities implications

Is there reason to believe that any groups could be adversely affected by this strategy or policy?

(Refer to the guidance notes below, section 3.1 to 3.3 to answer this question)

Yes

Which groups are affected?

Young people between 11 and 16 residing outside West Yorkshire will no longer receive concessionary travel within West Yorkshire.

4. Evidence of adverse impact or unmet needs

What is the concern about adverse impact or unmet needs on the grounds of race?	What evidence do you have for this?
See below (usage data not collected at race, disability or gender level).	See below
What is the concern about adverse impact or unmet needs on the grounds of	What evidence do you have for this?

<p>disability? See below (usage data not collected at race, disability or gender level).</p>	<p>See below.</p>
<p>What is the concern about adverse impact or unmet needs on the grounds of gender? See below (usage data not collected at race, disability or gender level).</p>	<p>What evidence do you have for this? See below.</p>
<p>What is the concern about adverse impact or unmet needs on any of the other grounds in section 3.1 of the Equality Policy? The only adverse impact is upon all 11 to 16 year olds that reside outside West Yorkshire who will no longer have access to concessionary fares within West Yorkshire and will therefore have to pay full fare.</p>	<p>What evidence do you have for this? All 11 to 16 year olds, regardless of residency, can currently obtain a Young Persons Photocard that entitles them to concessionary travel in West Yorkshire. Using data from our Innovator Card Management System it is estimated that currently there are approximately 4,000 photocard holders residing outside West Yorkshire. In future, young people who are not West Yorkshire residents will be unable to obtain a Young Persons Photocard that entitles them to concessionary travel in West Yorkshire, and would have to pay full fare when travelling in West Yorkshire. They will still be able to access any concessions for young people that are available within their own local area, for travel in that area.</p>

5. Decisions and recommendations

Following the assessment, is further action required?

- In order to minimise the impact on existing Photocard holders who are non-West Yorkshire residents, it is not proposed to withdraw Photocards from existing users who live outside West Yorkshire. , however once their cards expire they will not be issued with a replacement.
- WYCA will also hold discussions with bus operators to explore any commercial options that they would consider to mitigate the impact on people who do not reside in West Yorkshire.

What are your recommendations? Do you need to:

- Take any immediate action? **None**
- Prioritise the problems identified and develop equalities objectives and targets for race/disability/gender based on this assessment? **Not Applicable**
- Proceed to a full impact and needs assessment? **Full assessment not required.**

List the specific actions that will be taken to address the problems you have identified:

- Current Young Persons Photocard holders not residing in West Yorkshire will continue to benefit from concessionary travel until their current card expires.
 - The change to the residency qualification will not be implemented until Easter 2016
 - WYCA will hold discussions with bus operators to explore any commercial options that they would consider to mitigate the impact on people who do not reside in West Yorkshire.
- I confirm that these actions are being fed into the Covalent and risk management process.
- This completed form will be kept in the service area and I have forwarded a copy to the ADCD.

Signed (officer completing the form):

Date: 17 September 2015

1. Responsibility and Ownership

1.1 Establishing responsibility for carrying out the assessment

Ownership and responsibility for EINAs lies at the service level. An assessment team with a lead officer should be identified to carry out the assessment. Service managers and frontline staff are important in the assessment process and they will also be involved in implementing the objectives, which flow from the assessment. The lead officer will need to ensure that membership of the team combines the knowledge and skills of those who deliver the strategy with support from specialists in specific areas.

1.2 Peer review/external challenge

When considering the equalities implications of a strategy/policy/procedure or function you should involve others who may offer a challenge to the views you have developed or some evidence of impact.

Example:

- An Equality Forum member
- Representatives from other authorities who provide a similar service or who have developed a similar policy
- Representatives from local or national community or interest groups
- Management Board Member

2. Terms of Reference

2.1 Aims of the strategy or policy

Consider what needs it is designed to meet and whether the aims are consistent with the Metro's Equality and Diversity Policy.

2.2 Who is intended to benefit

Some strategies and policies may be targeted at specific groups in order to meet needs. These need to be rationalised within the broad commitment to equalities.

2.3 What outcomes are wanted from the strategy or policy?

What should service users get?

2.4 List of policies and operational areas

Listing the policies and operational areas which relate to a strategy or policy will help to ensure you consider the equalities implications of all aspects of the strategy.

3. Equalities implications

3.1 Equalities implications

The questions in this section address our statutory duties:

Under the **Race Relations (Amendment) Act 2000** local authorities must have 'due regard to the need':

- to eliminate unlawful racial discrimination; and
- to promote equality of opportunity and
- to promote good relations between persons of different racial groups.

Under the **Disability Discrimination Act 1995** we must:

- not treat disabled people less favourably for a reason related to their disability
- make 'reasonable adjustments' for disabled people in the way services are provided, including from 1 October 2004, reasonable adjustments to the physical features of premises to overcome physical barriers to access.

Direct discrimination means treating a person less favourably than another person is or would be treated in a comparable situation. For example refusing to employ a disabled person because they are disabled.

Indirect discrimination involves a practice or procedure which applies to everyone but which particularly disadvantages one group in a way which cannot be objectively justified. For example insisting all employees wear a uniform, which doesn't allow for a particular racial group's custom, when the uniform cannot be justified in terms of the employer's needs.

3.2 You should consider whether the strategy or policy being assessed actively addresses potentially discriminatory outcomes or whether there could be different outcomes for different groups. Consider also whether the strategy or policy encourages good relations between people of different racial groups. While these principles support each other you will need to consider them separately.

Example: a training scheme aimed at encouraging more black and minority ethnic people into a workplace where they are underrepresented promotes equality of opportunity. However, it may cause resentment which damages race relations if others perceive it as positively discriminating in favour of BME groups. One objective coming out of this assessment could be to address this by ensuring staff understand and are able to explain to others the reason for the policy.

Consider how different aspects of the service could affect different groups. Some of the things you should consider are:

- The location of facilities
- Access issues (physical access to buildings and different methods of accessing a service e.g. face to face, telephone)
- How the public are informed about the service
- Language, translation and interpretation
- Dress codes, eligibility rules
- Charging policies
- Positive action measures (measure designed to promote equality of outcome)

3.3 Adverse impact

Once you have considered potential implications for equalities you need to establish whether the impact could be adverse. A policy or strategy may affect different groups in different ways; this could be in either a positive, negative or neutral way. Adverse impact suggests the effect of something is negative and potentially unlawful. If you believe there could be adverse impact you need to list which groups could be affected.

4. Evidence of adverse impact or unmet needs

4.1 Evidence of adverse impact or unmet needs

In section 3 you were asked to identify potential equalities implications. Section 4 asks you to provide details of any evidence you have to support your concerns. As this is a standard assessment you do not need to carry out any new research but should consider existing evidence.

Example:

- complaints
- feedback from user surveys
- feedback from frontline staff who deliver the service

4.2 Other groups covered by the Equality and Diversity Policy

Whilst you must consider potential impact on the grounds of race, gender and disability, Metro is committed to achieving equality of opportunity by removing direct and indirect discrimination on the grounds of:

- age;
- gender;
- race, colour, nationality, national or ethnic origin;
- disability;
- religious belief, or non belief;
- marital status, family circumstances, or caring responsibilities;
- lesbian, gay, bisexual or transgender identity;
- class, level of income, or housing circumstances;
- membership or non membership of trade unions, or involvement or non involvement in trade union activity; and
- any other status as identified within the European Convention of Human Rights.'

You should consider the impact on any group which may be particularly relevant to the strategy or policy being assessed. You also need to ensure you don't overlook potential discrimination.

5. Decisions and recommendations

5.1 Developing equalities objectives and targets for race/disability/gender

Developing equalities objectives is the most effective way of monitoring and evaluating our policies and it will help us to meet our statutory duties. It also forms a central part of implementing the Equality Standard for Local Government which requires departments and service areas to develop service level equality objectives and targets and to monitor them. Objectives should be developed as part of the Business Planning process and also feed into the equality standard action plan so that they can be monitored.

5.2 Proceeding to a full impact and needs assessment?

A standard assessment on a proposed new strategy or policy identifies that it could have seriously adverse impact on BME groups that could be unlawful. The assessment team decides to proceed to a full impact and needs assessment to consider other ways of delivering the aims of the policy and to consult on the proposals.

5.3 What next?

Self-assessment is a core procedure for the Equality Standard. To enable us to measure our progress we need to create an audit trail including evidence of all impact and needs assessments which have been carried out across the authority. When you have completed an assessment the signed and dated pro-forma should be kept within the service area and a copy should be sent to your Equality Forum member.

You should make arrangements to communicate the outcome of the assessment to staff who deliver the service.