

TRAFFORD COUNCIL

Report to: Executive
Date: 16th October 2017
Report for: Decision
Report of: Leader and Director of Legal and Democratic Services

Report Title

Transport for the North

Summary

Transport for the North (TfN) was created as a non-statutory body through a partnership between the Local Transport Authorities (LTAs) to transform the transport system across the North. In October 2016 the LTAs applied to the Secretary of State that TfN becomes a statutory body. As a statutory body TfN will have highways powers which will run concurrently with Trafford Council's highways powers. Therefore Trafford Borough Council has been asked by GMCA to consent to the highways powers being granted to TfN.

Recommendation(s)

It is recommended that the Executive, on behalf of Trafford Borough Council, consents under section 102J of the Local Transport Act 2008 to the making by the Secretary of State of regulations to establish TfN as a Sub-National Transport Body and giving TfN, concurrently with Trafford Council, the following functions contained in the Highways Act 1980:

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

Contact person for access to background papers and further information:

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Background Papers: None

Relationship to Policy Framework/Corporate Priorities	
Financial	None
Legal Implications:	The proposed delegation will allow GMCA to exercise highways functions concurrently with the constituent Councils.
Equality/Diversity Implications	None as a result of this report
Sustainability Implications	None as a result of this report
Resource Implications e.g. Staffing / ICT / Assets	None
Risk Management Implications	None
Health & Wellbeing Implications	None
Health and Safety Implications	None

1.0 Background

1. To address concerns about transport connectivity across the North, Local Transport Authorities and Local Enterprise Partnerships across the North of England came together in 2014 in partnership with the Department for Transport and the National Transport Agencies to form Transport for the North (TfN). Together they have developed an ambitious pan-northern transport strategy to drive economic growth in the North. The purpose of TfN is to transform the transport system of the North of England and the aim of TfN is to plan and deliver the improvements needed to truly connect the region with fast, frequent and reliable transport links, driving economic growth and creating a Northern Powerhouse.
2. Getting transport right is central to achieving the Northern Powerhouse ambition which is itself central to a successful UK industrial strategy. A world class transport system linking towns and cities across the North will create a unified economic area, attracting new business, improving productivity in the North and thereby rebalancing the UK economy.
3. There has been long term underperformance of the Northern economy when compared with other parts of the UK. There is a significant economic performance gap between the North and the rest of the UK economy – a difference in income of £4,800 per person in 2014, compared with the national average, and £22,500 compared with London. Having been on a downward trend since the early 2000s, the gap has widened since the 2008/09 recession.
4. Productivity accounts for the largest proportion of the ‘performance gap’, driven by underdeveloped skills base, under-investment by the private sector and low enterprise rates. This has worsened since the recession, in part due to out-migration of skilled workers to the southern regions where employment prospects are better.
5. Poor connectivity is central to understanding the economic challenges of the North. There is disproportionately low investment in the North compared with London and other city regions across Europe. A series of studies have shown how investing in transport infrastructure can unlock the economic potential of the North.
6. The Independent Economic Review of the Northern Powerhouse shows the scale of the benefits to the UK of closing the productivity gap. Advances in productivity, driven by key sectors of digital technologies, health innovation energy and advanced manufacturing have the potential to transform the North of England’s economy adding £97 billion and 850,000 jobs by 2050.

7. The North has had no way of agreeing strategic priorities, with the responsibility for transport divided over many organisations at different geographical levels. This has made it hard to properly consider and prioritise the right strategic transport interventions to transform economic growth at the regional scale. As a result, the North has been unable to speak with one clearly evidenced voice to Government on its transport priorities in Spending Rounds or rail and road investment plans.
8. The ambition of TfN over time is to achieve significant devolution of transport responsibilities for the North of England and specifically to:
 - a. Develop and deliver a multi-modal, integrated strategic transport plan that drives transformational economic growth in the North;
 - b. Set the strategic outcomes, outputs and priorities for the North of England's rail infrastructure and strategic road network; and
 - c. Determine specifications and contracts for future rail service franchises in the North of England.
9. The 19 local transport authorities (LTA's) in the North (including the GMCA) submitted proposals to the Secretary of State to establish TfN as a statutory Sub-national transport body (STB), pursuant to Section 102E of the Local Transport Act 2008. The establishment of TfN as an STB has been the subject of reports to the GMCA on 29 July 2016 and 28 July 2017.
10. The Secretary of State has now formally responded to the proposal and has indicated that he is minded to make regulations creating TfN as the first Sub-National Transport Body with the following functions:
 - a. The preparation of a Northern Transport Strategy;
 - b. The provision of advice on the North's priorities, as a Statutory Partner in the Department's investment processes;
 - c. The coordination of regional transport activities, (such as smart ticketing), and the co-management of the TransPennine Express and Northern rail franchises through the acquisition of Rail North Ltd.
11. Before the Secretary of State can establish a STB, the constituent authorities (i.e. the LTAs) must consent to the making of the regulations. In addition where the regulations propose to confer on the STB local transport functions, the consent of the relevant local authority to such concurrent powers is required.
12. The GMCA agreed in principle to give these consents and has delegated the final approval to its Head of Paid Service (in consultation with the Mayor and Deputy Mayor) once the final draft of the Regulations has been produced.
13. Some of the concurrent local transport functions included in the draft regulations are highway functions and in Greater Manchester, GMCA is the LTA but is not the local highway authority. As a result, the Department for Transport (DfT) is seeking the consent of GMCA's constituent councils (which are the local highway authorities) to TfN having certain concurrent highway functions.
14. The functions concerned which are set out in Regulation 11 of the draft Regulations are the following functions in the Highways Act 1980.
 - Section 8(1) (power to enter agreements with local highways authorities etc for doing certain works)

- section 24(2) (power of local highway authority to construct new highways)
- section 25(i) (powers to enter into agreement for creation of footpath etc)
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15. The functions are to be exercisable by TfN concurrently with the local highway authority - no powers are being taken away from the local highway authority. Moreover, regulations 14 and 15 provide additional safeguards for local highway authorities:

- TfN may not exercise the function in Section 24(2), unless the manner in which it proposes to exercise the function has been approved by:-
 - (a) each council through whose area the highway is to pass,
 - (b) the person who is proposed to be highway authority for the highway
 - (c) the highway authority for any highway with which the new highway will communicate, and
 - (d) the Secretary of State
- TfN may not exercise the remaining highway functions in Regulation 11 in relation to an area of a local authority, unless the manner in which it proposes to exercise the function has been approved by the local authority.

16. The Secretary of State is requesting that the consent of all relevant authorities is provided by no later than Friday 20 October 2017.

Other Options

Not to grant consent. GMCA would be unable to consent to the regulations drafted by the Secretary of State. TfN would either not be granted status as a statutory body or would be granted status as a statutory body but without including Trafford/Greater Manchester.

Consultation

None undertaken or required.

Reasons for Recommendation

The Recommendation is proposed so that TfN can be constituted as a statutory body.

Urgency of Decision

This report should be considered as 'urgent business' and the decision exempted from the 'call-in' process for the following reason(s):

The Secretary of States requires confirmation of the consent to the draft regulations by 20th October 2017.

Finance Officer Clearance *(type in initials)...GB.....*

Legal Officer Clearance *(type in initials)...JIF.....*

CORPORATE DIRECTOR'S SIGNATURE *(electronic)*



To confirm that the Financial and Legal Implications have been considered and the Executive Member has cleared the report.