

## **ENVIRONMENT, PLANNING AND TRANSPORT COMMITTEE**

**Date:** Wednesday 23 May 2001  
**Time:** 2.00 to 5.00 pm  
**Venue:** Committee Room 2, National Assembly Building

### **POLICY REVIEW: EXISTING ORGANISATIONAL STRUCTURES**

#### **Purpose**

1. To invite the committee to agree recommendations aimed at strengthening the existing voluntary transport consortia, to deliver improved public transport services.

#### **Background**

2. At the last meeting on 9 May the committee agreed recommendations aimed at driving up the quality of public transport in Wales. This session is concerned with assessing the potential of existing organisational structures to deliver such improvements.

3. A discussion on alternative regional organisational structures is scheduled for 13 June, with a report outlining how structures operate elsewhere in the UK and in Europe, including Passenger Transport Authorities. The aim is that the committee considers a draft report and recommendations on 27 June, with a final draft issuing for public consultation over the summer recess.

#### **Consideration**

4. It was agreed at the meeting on 9 May that:

- Local authorities should prepare regional public transport strategies by April 2003 reflecting bus strategies (which are a statutory requirement) and include developments on rail and community transport. These should be prepared on a regional basis to reflect travel patterns insofar as possible;
- Strategies should guide decisions on funding made by the National Assembly and such investment should be targeted alongside local authorities' own investment to achieve

maximum effect. Additional expenditure on transport would be justified only on this basis and where results can be monitored and evaluated.

5. Additional points arising from the **Expert Adviser's report (Annex A)** for consideration are:

- *Each consortium to agree a constitution and partnership agreement/"binding compact" with partners, including the National Assembly.* This will require a detailed understanding of the role of partners (including bus and rail companies) and the decision making and accountability roles of local authorities within the consortia. Local authorities have the statutory responsibility for implementation - how the "binding compact" suggested by WLGA would work in practice will need to be explored. There would be a need to ensure that local authorities' own resources and funding from the National Assembly (Transport Grant, local transport services grant, road safety and trunk road (where appropriate)) complemented each other to obtain maximum impact. This would include local authorities' agreement, for example, to utilise their traffic management powers to ensure that improvements in bus services could take place. There are also issues relating to the ability of local authorities to fund the consortia (existing ones receive some support from the National Assembly), and the availability of staff with the appropriate skills;
- *National Assembly to be represented on each consortium.* Currently officials attend SWIFT officer meetings on an observer basis. If this were to be extended to include member representation in local authority members' groups then their precise role would need to be determined;
- *Dedicated secretariat to be established for each consortium.* While a strengthened secretariat would be a major step forward, would it be effective in ensuring that an integrated approach in planning developments would be translated into implementation?
- *Consideration of rationalising existing consortia to four, reflecting economic fora boundaries.* This would inevitably require sub divisions in some areas and the effectiveness of this configuration will need to be tested.

6. The committee will also be receiving a submission from the Welsh Local Government Association (WLGA) (including transport consortia) and members can put questions to representatives at the meeting.

7. There are implications for the National Assembly's powers and for the Passenger Transport Authority concept, which will be discussed on 13 June.

8. It is evident that the existing structures need to operate more effectively. Following the discussion on 13 June the committee's report for consultation purposes could test options for changes in structures which would require primary legislation.

## **Recommendations**

9. It is suggested that the following recommendations be considered at the meeting, and included in the draft report that issues for public consultation:

- Each consortium to agree with partners, including the National Assembly, how objectives in the regional public transport strategies will be delivered taking into account linkages with local transport plans and the availability of funding;
- The Assembly Government should consider with local authorities how it should be represented on each consortia and agree the remit of its representatives;
- Invite views on the suitability or otherwise of existing number of regional consortia to deliver improved integrated public transport services;
- In the light of further discussion on 13 June set out options for changes in structures including additional powers for the Assembly and the creation of a body or bodies similar to existing Passenger Transport Authorities and invite views.

## **Conclusion**

10. Members are invited to discuss this paper and submission for WLGA/consortia, and agree to the recommendations at paragraph 9 above.

## **Committee Secretariat**

May 2001

**ANNEX A**

**CURRENT ORGANISATIONAL ARRANGEMENT IN WALES**

**(REPORT FROM EXPERT ADVISER)**

1. In discussing the present organisational arrangements, it is important to relate the issues over which the organisations have control and/or influence. Previous evidence, and papers to Committee, have considered powers over all forms of transport, and who controls which. Summarising these considerations:-

- Rail policy and investment decisions – there is no "Welsh" dimension of the Strategic Rail Authority (SRA) in the form of a Welsh Division of SRA. Neither the SRA, or any of its Board Members are accountable to the National Assembly for Wales (NafW);
- The Traffic Commissioner dealing with Wales, sits in Birmingham;
- Powers over road traffic regulation and legislation reside in the Department for the Environment, Transport and the Regions (DETR). We feel that there are specific Welsh community issues;
- The regulatory framework for taxis and private hire cars resides in DETR
- Bus industry regulation and public transport policy development is conducted on an England and Wales basis by DETR;
- There is no Integration of rail freight operations in Wales.

2. Other issues outside Welsh control are:-

- Environmental issues;
- Airport development and regulation (although we wish greater say over regional airport policy and decanting from the overcrowded south east);
- Port developments and shipping policy (although we are surrounded on three sides by water and have a greater interest than most English regions);
- Inland waterways;
- Rail regulation through the Office of the Rail Regulator (ORR).

3. Consequently, the matters covered by existing consortia arrangements are limited to those issues where either the NafW have controlling powers, or organisational issues, beyond actual powers of provision, that affect neighbouring authorities, or regional considerations. For example:-

- Bidding for funds from NafW;
- Voluntary co-operation on cross boundary and regional issues;
- Co-ordination of local government (LG) response to / liaison with rail proposals and services;
- Forward planning regional provisions and aspirations;
- Liaison on Local Transport Plan (LTP) and public transport delivery.

## **Current Organisational Structures**

4. Committee, in deliberating how best to deliver Welsh regional transport policy, has already

debated the "numbers" issue, concluding that the base of 22 Local Authorities was too many, but that one all-Wales base was too large, for coherent regional planning. Ideally, 4 regional groups for Wales would be appropriate, given the nature of Wales, services to be procured/guaranteed, and population/demand bases, but the question turned as to what the present arrangements were, by comparison.

5. The current arrangements are based upon **voluntary arrangements** between groups of local authorities, which have emerged to deal with the cross border and regional issues between authorities, in the post local government re-organisation period since 1996.

6. There are two consortia in South East Wales, which aim to secure modal split in the "journey to work" areas of Cardiff and Newport. They are :-

SWIFT comprising the 6 LA's of Bridgend, Caerphilly, Cardiff, Merthyr Tydfil, Rhondda Cynon Taff and the Vale of Glamorgan, with representatives of various transport operators. Consortium leadership rotates between participating organisations.

TIGER comprising Blaenau Gwent, Caerphilly, Monmouthshire, Newport and Torfaen, working in partnership with transport operators. Torfaen is lead Authority for management

7. They are implementation based groupings as opposed to wider purpose policy and monitoring groupings, and both are tied into the politically led and officer serviced SEWTAG (South East Wales Transport Advisory Group), which considers strategic and whole region issues. At present, SWIFT and TIGER are the bidding units, and have both figured in NAW award of Transport Grant and associated funding mechanisms in recent settlement announcements. Financial management of NAW awards is via a nominated lead local authority, rather than to the consortia in their own rights.

8. In South West Wales, the SWITCH consortium has been set up:-

SWITCH comprises Carmarthenshire, Neath Port Talbot, Pembrokeshire, and Swansea, with Ceredigion having "associate" status. Neath Port Talbot is currently the lead Authority for management.

9. SWITCH is a Member led, officer served, consortium that has made considerable progress since its start in 1998. It is broadly equivalent to SEWTAG in SE Wales, and it covers regional policy making, inter authority liaison and implementation. SWITCH is also the bidding body for

resources for regional transport schemes, and its forward programme bidding is routed through the lead Authority which acts on behalf of the consortium.

10. SWITCH has developed several sub groups responsible for LTP liaison, second generation public transport, sea/ports/air, freight, cycling, and rural transport initiatives. SWITCH has commissioned consultants, financed by Transport Grant, to help in the development of regional strategies, and to form the basis of bids for funding.

11. In Mid Wales, the Mid Wales Partnership (MWP) has existed for some time, which, more informally, is the forum where the authorities of Powys and Ceredigion liaise, but there are operational links with southern Gwynedd. Initiatives have emerged out of this grouping, most particularly in the field of community transport. Ceredigion also has "associate" status in SWITCH, as indicated above.

12. In North Wales constituent authorities have been associated through the North Wales Economic Forum for some considerable time. More recently, the TAIH consortium has been established, to better focus the co-operation in North Wales with respect to forward programmes and bids for funding;-

TAIH comprises Ynys Mon, Gwynedd, Conwy, Denbigh, Flintshire and Wrexham. Flintshire and Wrexham also link to the Cheshire, Flintshire and Wrexham Liaison Panel which promotes common working on land use planning, transport and housing within the Panel's "journey to work" area.

## **Discussion on Existing Structures**

13. All these consortia differ in their detailed management and implementation arrangements, but conform to the basic principle of democratic control, and a requirement to consider, and work with, Welsh National policy, aims and objectives, as set out by the NAFW, and, in part, financed via the NAFW through Transport Grant (TG) and Special Bus Grant. It would take little work, in a Central Government / Local Government concordat, to rationalise arrangements, and require each consortium to operate according to an agreed strategem and procedures.

14. SWITCH arrangements are co-ordinated, in one organisation, for political control, forward planning, bidding for funds, liaison with partners and implementation. There are existing separate SEWTAG political / liaison and SWIFT/TIGER implementation arrangements in South East Wales, but this could be further rationalised. The Mid Wales Partnership has the Forum available where the main players are all together, but, to date, lacks the formality of the specific political and management controls of either South East or South West Wales. In North Wales, co-operation through the medium of the North Wales Economic Forum has existed for

some years, but the bespoke TAITH consortium, broadly equivalent to SWIFT, TIGER and SWITCH, in terms of fund bidding, has only just been put in place. Neither Mid Wales Partnership, nor TAITH, to date, have figured in Transport Grant awards. SWIFT, TIGER and SWITCH all figure in the current year TG settlement, and the forward 5 year indicative programme.

15. The existing consortia, with their present arrangements, and other networks and contacts, particularly cross border contacts in Mid and North Wales, are too well established, and have done such good work, to be swept aside completely. However, all appreciate that NAFW need to have some certainty and assurance regarding forward delivery of national public transport policy, which the present consortia, as presently constituted, may be deemed to be unable to fully provide.

### **Possible Ways of Strengthening Current Arrangements**

16. There is potential to put mechanisms in place which would provide that certainty, and that "strengthened" consortia could be given the opportunity, at least in the immediate term, to prove their robustness in delivering NAFW's policy. It is to what these strengthened arrangements need to be that discussion now turns.

17. None of the current consortia have their own separate existence and support staff, apart from ad hoc arrangements around specific issues. Any staff working on consortium issues are drawn from the constituent Authorities, often as a "clip-on" to existing duties. Some, such as SWITCH, SWIFT and TIGER have well established meeting formats and decision making protocols as between the constituent Authorities and the consortium, at both political and officer levels.

18. As a result of what has been examined from elsewhere, it is felt that each consortium now needs to be supported by a secretariat, maybe by secondment from constituent Authorities, but with their own recognisable and separate existence. Each needs to have an agreed constitution, agreed with NAFW, perhaps in the form of a (or extension of existing) partnership agreement. There will need to be a clear agreement on representation on Member and Officer Groups, including not only constituent Authorities, but possible NAFW representation, with a Minister nominated Assembly Member on Member groups, and a Director of Transport nominee on officer steering groups.

19. The concept of "binding compacts" suggested by the Welsh Local Government Association (WLGA) is worthy of greater examination to explore if they can provide sufficient comfort to NAFW in ensuring delivery of NAFW policy. Binding compacts would have to be agreed with NAFW by the Regional Consortium and all their constituent Local Authorities, to cover a three or, better still, five year delivery profile. This would, of course, tie in with the Minister's recent five year Transport Grant 5 Year Forward Indicative Framework, and enable all concerned to

work, into the future with much more certainty than hitherto. From NAFW's point of view, it will have binding commitments on targets and objectives, agreed between Central and Local Government, and industry partners, in a formalised and coherent structure, well understood by all, but in a way which does not disintegrate present arrangements completely, and subject all in the industry and Central and Local Government to prolonged periods of uncertainty and torpor whilst reorganisation takes place. NAFW would always, of course, hold the option to move, at a later date, to more fundamental change, if this proposal did not deliver to NAFW's satisfaction over the short to medium term. Such possibilities and options are being separately reported to Committee. I am also influenced by the evidence presented that, even if a "green light" was given during 2001 for some brand new type structure, it is likely, practically, to be at least 5 years before they would be created and operating, given the legislation and "running down the old" / "running up the new" processes involved. There is the experience of setting up NAFW itself, and the 1996 Local government reorganisation, to inform us on this matter, not to mention changes to the bus industry and public utilities. Fundamental organisational change cannot be delivered quickly, if major flaws are to be avoided. The one example where matters were rushed through, namely the Railtrack element of the Rail Privatisation process, has left us with a legacy with which we are still having to cope, and I do not feel a rushed process is in anybody's interests.

20. There needs to be agreement on the rationalisation to four homogeneous and consistent groupings representing, in our view, the four regions of Wales as defined for the Assembly's Regional Committees. It will be up to each group how it continues into the future current "associate" and cross border representation and liaison. The SWITCH consortium's arrangement with Ceredigion could be an exemplar – Ceredigion has "associate status on all groups, political and officer, but is a "non voting" Member when it comes to decisions on finance, policy and priorities, which are the purview of the regional Authorities.

21. Of particularly interest is the example found in South Yorkshire, during the Committee Sheffield visit, and the relationship between the four constituent Metropolitan Authorities of Barnsley, Doncaster, Rotherham and Sheffield, and the South Yorkshire Passenger Transport Executive, which could be applied to the current consortia and the relationship with NAFW. In South Yorkshire, the four Authorities and the PTA/E, co-operate and co-ordinate their forward service, financial and development planning, in a way we have not seen elsewhere. It has, inter alia, led to the designation of the whole of South Yorkshire as a Centre of Excellence, firstly for public transport, and now, for Local Transport Planning.

22. As we discovered on Committee's visit, there is now one Local Transport Plan for the South Yorkshire area, to which all 5 Authorities contribute. This exact model is unlikely to be achievable in Wales, but the concept of a Regional Public Transport Plan, formally produced and submitted by the consortia, endorsed and agreed by all four Authorities, seems a valuable concept for our way forward. In South Yorkshire, the money is still passported through local authorities, as there is no mechanism for Government to pay the PTA directly, and so is compatible with current Welsh practice.

23. Committee have asked for a further presentation from the WLGA, who have been asked to organise the current consortia in preparing that presentation. These concepts may well be matters Committee may wish to pursue with WLGA at their presentation.

**Denys Morgan**

**Expert Adviser**