

Devolving local major transport schemes response form

Specific questions

Part 1: Local transport bodies – this section of the consultation document set out the context, rationale and objectives for forming local transport bodies. It also consider the options for distributing funding, facilitating strategic investment and the role of Local Enterprise Partnerships in decision-making.

1. Do you have any comments on the proposed role and membership, preferred scale and geographical scope in forming local transport bodies and consortia, in particular the options to facilitate strategic investment decisions and the types of schemes to be funded?

Response:

We strongly support the devolution of decision making over sub-national transport and thus we welcome the devolution of local major transport scheme funding.

We believe that these decisions are best taken by bodies which are based on local democratic accountability and on bodies which have existing legal and statutory status, and expertise. We therefore support Option One on the role of LEPs

Although local arrangements are best determined locally, we further believe that where there are existing ITAs / PTEs / Combined Authorities they can play a key role as they:

- are a good fit with journey-to-work patterns and the economic footprints of core cities
- are existing organisations with resources and expertise and using existing entities is more efficient than creating new ones
- have legal, financial and statutory standing and status. ITAs and Combined Authorities are also made up of elected members from constituent local authorities and thus ensure local and democratic accountability

*Maximum 400 words

2. Do you have any views on the membership of Local Enterprise Partnerships in local transport bodies, in particular whether they should have the final say in decision-making? Or on any other issues raised in relation to Local Enterprise Partnerships, and potential resourcing impacts?

Response:

See response to Question One on role of LEPs

Role of bodies such as NR: We are also not persuaded that organisations such as Network

Rail should form part of the Local Transport Body. Although advice on these delivery organisations is critical to inform the options put to the LTB, the focus of the LTB should be on those who need to make accountable decisions.

Large schemes: Funding large schemes (such as light rail systems) is one of the major challenges of this devolutionary proposal as the costs of such schemes could take up all the available major capital funding for a number of years (and even that may not be sufficient). This may be tackled locally through the creation of 'funds of funds'. Government could assist through long term commitment to the funding available from the major schemes pot and through wider support for innovative funding options as city regions develop them. With those caveats we support Option Three as this is the most devolved and least centralised option.

Rail devolution: Para 61 suggests a possible linkage between rail devolution and this consultation. Our view is that in the city regions rail devolution is being actively pursued through separate negotiations on how devolution can work in the West Midlands and on Northern. The governance arrangements for rail devolutions are a distinct and bespoke issue and best kept separate from the governance and application of the major scheme fund

Allocation of funding: There is a strong body of evidence to suggest that transport investment is best concentrated on where it will make the biggest economic impact, which in England outside London, is largely in the city regions. A formula that reflected this would be preferred.

Criteria could be based on the shared national and local objectives of creating economic growth, reducing carbon emissions and improving quality of life. This approach is consistent with the Government's 'Deal for Cities', which acknowledges the problem that large urban areas, are under-performing and holding back the nation's economic performance.

However, Option One has the advantages of continuity and will not lead to a shift in funding away from the city regions (as option two would do). Of the options presented we would therefore support the Government's preferred option one.

*Maximum 400 words

Part 2: This section of the consultation document explained the reasoning for providing assurances on governance, financial propriety and accountability for decisions. It also considered the options for the frameworks to support decision-making, meeting minimum quality standards on appraisal, and delivering value for money. It includes a proposed implementation timetable.

3. Do you have any thoughts or comments on assurance, in particular on whether there are any alternative ways of providing assurance other than putting in place some central criteria for local transport bodies to meet?

Response:

We agree that the principles and framework elements set out in paras 2.21-2.24 are sensible and agree that LTBs will need to demonstrate this.

The principle of utilising centrally-agreed criteria is supported in principle. It is considered

important that DfT ensures that local transport bodies adopt a clear and consistent methodology for prioritising and assessing schemes and that basic parameters for eligible schemes are set.

We also welcome the continued central government stewardship of WebTAG. There is also a need to ensure a consistent level of data robustness, research and evaluation which sets a standard for schemes to be funded. This enables schemes to meet a defined criteria and performance in their appraisal which can provide both LTBs and Central Government with the assurance that schemes can deliver against a clear set of objectives and appraisal standards, subject to the comments below about proportionality.

*Maximum 400 words

4. Do you have any comments in relation to how local transport bodies should demonstrate that they are accountable to central Government for tax-payers' money and to local communities and citizens?

Response:

Government has said that the Department for Transport Accounting Officer will need to ensure that there is an effective system to ensure that devolved funding is used appropriately and secures value for money (para 2.14). We accept this need.

We agree with Government's proposals that LTBs:

- Enable scrutiny and proactively taking on board citizen's views such as via consultation (para 2.15)
- Undertake an independent audit of decision making (para 2.16)

Basing Local Transport Bodies on existing accountable bodies with well established mechanisms for consultation, communication, transparency of decision making (including through meetings of elected representatives in public and with papers publicly available) will achieve the demonstration of accountability. In the Met areas the PTEs/ITAs (where there is no Combined Authority) can serve this purpose, although with their precise role best determined locally.

*Maximum 400 words

5. Do you have any comments on the options for appraising and evaluating schemes, in particular in order to meet and test value for money?

Response:

We agree that a transparent and consistent framework is needed in order to prioritise and appraise schemes. We therefore support Option One that local frameworks to be based on the DfT's Business Case guidance.

We are content with the use of WebTAG. However, with the caveat that appraisal and evaluation methods should be proportional to the size and scale of projects being pursued so there should be 'light touch' for smaller schemes, and that the Government simplifies, streamlines and updates WebTAG on a planned basis, particularly around consideration of wider impacts.

*Maximum 400 words

6. Do you have any comments on the proposed implementation timetable, and any practical issues raised?

Response:

The Government's timetable has the following key dates:

- Consultation closing date of 2 April
- Indicative allocations published in August 2012
- Proposals from local transport bodies in December 2012
- Local Transport Bodies having an agreed programme of priorities by April 2013.

It is this last deadline that should be highlighted, as it is unclear whether government will wish to 'vet' or approve proposals from December. If so, there may be insufficient time to implement any arrangements and reach agreement by April 2013.

We welcome clarity on what assessment the Government may make on proposals from December, and hence whether there are minimum standards they would expect. An indication of these standards as soon as possible would be helpful.

The consultation paper identifies a role for local transport bodies in the delivery of the programme of transport schemes for beyond 2015 up to, as a minimum 2018-19. The process of consultation, design and delivery of major transport schemes can be a time and resource intensive undertaking. A four year funding allocation period may not provide adequate certainty to allow LTBs to plan for sustainable growth. A lengthier period of certainty would allow for a more strategic approach to scheme development to be undertaken and provides greater opportunity to explore more innovative options for scheme financing or delivery such as the use of prudential borrowing.

*Maximum 400 words

General questions

7. Do you have any general comments on proposals to devolve decisions and funding, and on any residual role for the Department?

Response:

We welcome these proposals.

There is a role for the DfT in ensuring that WebTAG remains fit for purpose and for the DfT to work with LTBs on complex issues such as linkages between the majors fund and other funding streams (including European, National Rail and RGF)

It is also important that DfT ensures that other Government departments recognise the cross-cutting nature of transport and the cross-sectoral benefits that transport investment can bring (including to public health, climate change, access to work, access to healthcare, access to education). There is a need to ensure that funding from other sectors is capable of being devolved and pooled with DfT major scheme funding

*Maximum 600 words

8. Do you have any other comments on any of the other areas covered in the consultation?

Response:

The devolution of the appraisal process will transfer a function previously undertaken by DfT. DfT should ensure that local transport bodies are able to use a proportion of the devolved funding for the administration of the devolved processes (eg for prioritising, appraising and evaluating schemes)

*Maximum 400 words

Consultation Responses

Please send responses, using this consultation response template, via email to:

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